

FINAL

Evaluation Report for Mid-Term Review of Binh Dinh Sustainable Rural Livelihoods Project

*Commissioned by the New Zealand Ministry of Foreign Affairs
and Trade for the New Zealand Aid Programme*

FINAL 28/11/2011

The views expressed in this report are those of the author(s) and do not necessarily reflect the position of the New Zealand Government, the New Zealand Ministry of Foreign Affairs and Trade or any other party. Nor do these entities accept any liability for claims arising from the report's content or reliance on it.

Contents

Abstract	1
Executive Summary.....	2
Background and context of the Activity	2
Purpose and objectives of the evaluation	2
Methodology	3
Key findings and conclusions.....	3
Summary of lessons learned and recommendations	5
Report	7
Background and context of the Activity	7
Purpose, scope and objectives of the evaluation	7
Methodology	8
Limitations of the evaluation (and the effect of these on the evaluation).....	9
Findings and conclusions	9
Lessons learned	22
Recommendations	23
Appendix A: Terms of Reference for the Evaluation.....	37
Appendix B: Evaluation Plan	48
Appendix C: List of Data Sources.....	67
Glossary of Acronyms	68

About this report

Prepared by	Bruce Trangmar, International Agricultural Specialist, MWH Zealand Ltd Tran The Tuong, National Agricultural Specialist, Department of Crop Production, MARD
Date	28 November 2011
Status	Final
Final report approved by	Margie Lowe, First Secretary Development, New Zealand Embassy, Hanoi, Vietnam

Abstract

The goal of the Binh Dinh Sustainable Rural Livelihoods Project, Vietnam is to contribute to improved livelihoods of commercially active poor households/farmers by enhancing the competitiveness of the agricultural and rural development sector in Binh Dinh province.

The project is being implemented from July 2009-June 2013. A Mid-Term Review (MTR) was conducted in September-October 2011 to provide a comprehensive evaluation of the project's implementation.

The overall project goal and objectives as designed in 2008 remain relevant to the current needs and priorities of the Binh Dinh agriculture sector. However, implementation progress has been slow in the first two years and it is now unlikely that the project can achieve its planned objectives within the original time frame. A one-year extension is recommended provided the rate of implementation progress speeds up significantly, and output and disbursement targets to be agreed to June 2012 are achieved on schedule.

Further capacity building (technical, project management, agri-business awareness) for local provincial and district counterpart staff must be an important focus over the next two years so they can implement the project approach unassisted once New Zealand funding ends. The project should continue to assist farmers improve production and product quality in the target sub-sectors (safe vegetables, livestock (beef, rabbits) and coconut products). However, stronger capacity-building emphasis must also now be placed on strengthening farmer linkages to the market and improving their ability to access higher parts of the value chain.

Executive Summary

Background and context of the Activity

The goal of the Binh Dinh Sustainable Rural Livelihoods Project, Vietnam is to contribute to improved livelihoods of commercially active poor households/farmers by enhancing the competitiveness of the agricultural and rural development sector in Binh Dinh province. It also aims to strengthen the capacity of provincial institutions and the agri-business sector to implement market-led rural development activities. The project comprises four major components (1) Certified Safe Vegetables, (2) Increased Income from Coconuts, (3) Profitable Livestock Systems, and (4) Project Management.

The project is being implemented from July 2009 to June 2013. It is jointly executed by the Binh Dinh Provincial Peoples Committee (PPC) and the New Zealand Aid Programme, Ministry of Foreign Affairs and Trade (MFAT). The Binh Dinh Department of Agriculture and Rural Development (DARD) is the implementing agency with URS Australia Pty Ltd (URS) providing technical support. The total project budget is US\$2.138 million.

A Mid-Term Review (MTR) was undertaken in September-October 2011 to provide a comprehensive evaluation of the project's implementation including technical and financial aspects.

Purpose and objectives of the evaluation

The scope of the review was to assess (a) project implementation (technical and financial) of all four components, (b) whether project activities and implementation approach remain appropriate to government needs and the changing socio-economic development and agricultural landscape in Binh Dinh, (c) overall project effectiveness given concerns about delays in project implementation and low level of disbursement after two years, (d) the management structure, with particular focus on the key stakeholder roles; (e) effectiveness of groups set up under the project management structure; and (f) the project's financial management system.

Specific objectives were to assess the (1) relevance of the project to the needs, priorities and interests of the key stakeholders; and (2) effectiveness and efficiency of project implementation and management.

Methodology

The MTR team undertook a home office desk review of relevant project documents prior to visiting Vietnam from 22 September – 8 October 2011. In Binh Dinh, the MTR team met with members of the PPC, Project Management Board (PMB), Project Office (PO), DARD, and Departments of Finance (DOF), Industry and Trade (DoIT). It also met with URS, Chief Technical Advisor (CTA), International Technical Advisors (ITAs), National Technical Advisors (NTAs), and Project Implementation Teams (PITs). The MTR team visited all seven project districts and met with district authorities, commune officials, three small enterprises, project Common Interest Groups (CIGs), farmers and visited project farms. The team held briefing and debriefing meetings in Hanoi with New Zealand Embassy staff who also accompanied the MTR team to Quy Nhon for initial meetings. Meetings were conducted with staff of other relevant donor projects in Hanoi and Binh Dinh, and with CoopMart in Quy Nhon.

The MTR team reported its main findings and initial recommendations to the local stakeholders at a Debriefing Workshop in Quy Nhon on 3 October 2011. Feedback comments from the Workshop were incorporated into the MTR findings and recommendations. A detailed aide memoire was submitted to New Zealand Embassy staff in Hanoi following the mission.

Key findings and conclusions

The overall goal and purpose of the project as designed in 2008 remain relevant to the current needs and priorities of the Binh Dinh agriculture sector. The project is contributing to local implementation of the national Strategy on Agriculture, Farmers and Rural sector, including the New Rural Development Programme (2010-2020). This is being done through product quality improvement (safe vegetable production to VietGAP standards, livestock production improvement), training of farmers, and development of household-based industry through support to small coconut enterprises.

The three-step project design process (market analysis, demonstration, scaling up) with Stop/Go points between each step remains appropriate. The safe vegetable and livestock components have followed the original project design quite closely, and are being implemented systematically based on the 3-step process. CIG farmers in these components report improved crop and livestock productivity and income generation although incomes have yet to be

systematically analysed by the project. The coconut component has been restructured from the original project design based on recommendations of a coconut sector study done as the first activity under the component. This component now has a firm way forward based on supporting small coconut processing enterprises (mainly husk fibre and kernel) that have input supply and employment arrangements for poor women and poor households, thus connecting such beneficiaries to the value chain.

Implementation progress has been slow in the first two years with overall disbursement to 30 June 2011 only achieving 16% of the total 4-year project budget. Time lost due to initial delays (inception period extended from 6 to 12 months, late appointment of the MSC, complex administrative procedures, late submission and approval of 2011 work plan and budget) has not been recovered yet. It is now very unlikely that the project can achieve the planned objectives within the planned four-year time frame. A request for a one year extension to June 2014 was made by DARD in July 2011.

The focus to date in the safe vegetable and livestock components has been on technical interventions to improve crop and livestock production and product quality. This work has been essential with farmers reporting improved production and income generation. However, a major focus in the second half of the project must now be on strengthening farmer linkages to the market and improving their ability to access higher parts of the market value chain.

A baseline survey¹ of DARD human resource capacity in May 2011 indicated a significant need for DARD capacity building in project management and technical training support at both provincial and district levels. Capacity building was delayed due to the late appointment of the MSC, and while progress has been made in 2010/11 capacity building at all levels (PO, PITs, Districts, CIGs) continues to require major focus in 2012 and 2013.

The existing management arrangements are generally appropriate, but better coordination is needed between DARD, PO and URS for timing and content of ITA and NTA visits, and availability of PIT members to work alongside ITA and NTAs. Procedures for financial and procurement approvals follow Vietnam government procedures,

•

¹ Binh Dinh Rural Livelihoods: Linking Poor Rural Households to Market Project: Baseline Capacity Survey and Capacity Strengthening Strategy for Binh Dinh DARD Staff, May 2011

but are cumbersome with many approval steps required even for small amounts and need to be streamlined to speed up the approvals process.

Despite these issues and slow start to the project, the basis has been laid for project implementation to speed up now that project procedures are in place, there is a better understanding of the project and its objectives at all levels, and lessons from the first two years implementation have been learned.

Specific findings for each component are given in the main text of the report.

Summary of lessons learned and recommendations

Due to the slow start, the project must show a major increase in speed of project implementation (without reducing implementation quality) over the next 9 months if it is to achieve its objectives. Strict output and disbursement targets to be achieved by the end of 2011 and by June 2012 should be agreed by MFAT and DARD (MFAT, DARD) immediately. This should be based on a detailed and feasible work plan for each component and for the overall project to be prepared by the end of December 2011. Overall disbursement progress under the Grant Funding Agreement (GFA) should aim to achieve 45-50% by end of June 2012. Outputs to be achieved should include completion of all items specified in the 2011 Annual Work Plan Budget (AWPB) and those scheduled for first half of the 2012 AWPB (DARD, PO).

If the agreed targets are not reached and progress continues to be slow, then the one-year extension to June 2014 requested by DARD should not be granted by MFAT and the project should be scaled back with a reduced Facility Fund and the project concluded in June 2013.

Capacity building of the PO, PITs, sub-PITs and district staff must be an important focus in the second half of the project to prepare them to implement the project approach unassisted once NZ inputs end. Such capacity building should be an important focus of remaining CTA, ITA and NTA inputs in 2012 and 2013.

On-going strengthening of the PO project management capacity (training, human resources, and systems) is required so that it can increasingly manage the project with reducing CTA assistance over the remaining project period.

To assist with technical implementation, DARD and District People's Committees should ensure that PITs and sub-PITs are able to fully contribute to the project as per the agreed time allocation in the GFA by (a) releasing PITs and sub-PITs from some of their other DARD/district duties to work on the project, and (b) ensuring that relevant PIT members are available to work with ITAs and NTAs when they are in Binh Dinh to improve ITA and NTA knowledge transfer and DARD technical capacity building.

To help speed up project decision making and approvals at all levels, the PO, DARD, DoF, DPI should identify key bottlenecks and measures to speed up approvals, including financial and procurement applications (PO, DARD) and approvals (DOF, DPI, Treasury, MFAT).

Stronger emphasis should be placed on strengthening farmer access to higher value markets and the value chain in the second half of the project. In addition to items already in the current capacity-building plan, the project should give more training to CIG leaders in marketing, sales, market links, and farmer organisation in relation to sales and marketing; and to CIG members in establishing market linkages, especially for safe vegetables and livestock. On-going capacity building for CIGs should be a combination of on-the-job coaching, mentoring and technical training courses.

Implementing more market-oriented value chain projects should also have more active involvement of other relevant line agencies (such as DPI, DoIT, Investment and Trade Promotion Centre) as well as DARD. The PMB should facilitate getting appropriate staff from these other relevant line agencies to join the PITs (PMB) for each component, especially the coconut component.

At this stage, each component should continue subject to achievement of agreed Stop/Go criteria for each stage, and more detailed component-specific recommendations made in the main text of the report.

Report

Background and context of the Activity

The Binh Dinh Sustainable Rural Livelihoods Project is being implemented by the Binh Dinh Provincial Peoples Committee (PPC) and the New Zealand Government with the goal of contributing to improved livelihoods of commercially active poor households/farmers by enhancing the competitiveness of the agricultural and rural development sector in Binh Dinh province. The purpose of the project is to strengthen the capacity of provincial institutions and the agri-business sector to implement market-led rural development activities to provide sustainable economic, social, and environmental benefits to commercially active rural households/farmers. The project is being implemented in four major components:

Component 1: Certified Safe Vegetables

Component 2: Increased Income from Coconuts

Component 3: Profitable Livestock Systems

Component 4: Project Management.

The project is being implemented over four years (July 2009 to June 2013), including a 6-month inception period. It is jointly executed by the PPC and the New Zealand Aid Programme, Ministry of Foreign Affairs and Trade (MFAT). The Provincial Department of Agriculture and Rural Development (DARD) is the implementing agency. URS Australia Pty Ltd (URS) has been contracted to provide technical support to the project since August 2010.

The total budget of the project is US\$2.138 million. Of this, the NZ Government contribution is US\$1.737 million (comprising approximately US\$ 1.202 million for Binh Dinh and US\$0.5 million for the URS contract). The provincial contribution is US\$400,500 of which the in-kind contribution is US\$200,500 and the cash contribution is US\$200,000.

Purpose, scope and objectives of the evaluation

Purpose and scope

The purpose of the MTR was to provide a comprehensive evaluation of the project's implementation including technical and financial aspects.

The scope of the review was to assess (a) project implementation (technical and financial) of all four components, (b) whether project activities and implementation approach remain appropriate to government needs and the changing socio-economic development

and agricultural landscape in Binh Dinh, (c) overall project effectiveness given concerns about delays in project implementation and low level of disbursement after two years, (d) the management structure, with particular focus on the key stakeholder roles (e.g. PPC, DARD, URS, New Zealand Aid Programme); (e) effectiveness of groups set up under the project management structure (e.g. Project Management Board (PMB), Project Office (PO), Project Implementation Teams (PIT) and the Common Interest Groups (CIG); and (f) the project's financial management system.

The results, lessons learned and recommendations of the MTR are to help guide decisions on the project's future, noting delays in implementation, low disbursement and questions of effectiveness.

The main stakeholders in the review are staff of the New Zealand Aid Programme, Binh Dinh PPC, DARD, PO, members of PITs and CIGs.

The review was to cover the period from signing of the Grant Funding Arrangement (GFA) (July 2009) to the date of the review (September 2011).

Objectives and evaluation questions

Specific objectives were to assess (1) the relevance of the project to the needs, priorities and interests of the key stakeholders; (2) the effectiveness of project implementation and management technically and financially; and (3) the efficiency of project implementation and management.

Detailed questions to be addressed by the MTR are listed in the Terms of Reference (Appendix A).

Methodology

The MTR team undertook a desk review of relevant project documents (Appendix 3), including the Project Design Document (PDD), Project Operational Manual, Project Inception Report, Annual Work Plans and Budgets, Six-Monthly Progress Reports, Sector Study Reports, URS reports and relevant MFAT documents. An Evaluation Plan was then prepared and subsequently approved by MFAT.

The Mid Term Review team² visited Vietnam from 22 September – 8 October 2011. In Binh Dinh, the MTR team met with leaders/staff of the Provincial People's Committee (PPC), Project Management Board (PMB), Project Office (PO), Departments of Agriculture and Rural

• _____
² The MTR team comprised Bruce Trangmar, International Agricultural Specialist, Team Leader; Tran The Tuong, National Agricultural Specialist, and Tong-Duy Phuoc, Interpreter/Translator.

Development (DARD), Finance (DOF), Industry and Trade (DoIT). It also met with URS (Management Services Consultant), Chief Technical Advisor (CTA), International Technical Advisors (ITAs), National Technical Advisors (NTAs), and the three Project Implementation Teams (PITs). The MTR team visited all seven project districts and met with district authorities, commune officials, three small enterprises, project Common Interest Groups (CIGs) and farmers. The team also met with staff of the New Zealand Embassy in Hanoi for briefing and debriefing, and were accompanied by New Zealand Embassy staff to Quy Nhon for initial meetings. Meetings were also conducted with staff of other relevant donor projects in Hanoi (VECO, CIDA, World Bank) and Binh Dinh (World Bank Agricultural Competitiveness Project), and with CoopMart in Quy Nhon.

The MTR team conducted a Debriefing Workshop in Quy Nhon on 3 October 2011 in which it reported its main findings and initial recommendations to the members of the PMB, PITs, DARD, PO, CTA, CIGs, URS and CTA. Feedback comments from the Workshop are incorporated into the following findings and recommendations.

The MTR also undertook two debriefing meetings with New Zealand Embassy staff in Hanoi to provide feedback and discuss findings and recommendations. A detailed aide memoire was submitted to the New Zealand Embassy staff in Hanoi following the mission.

Limitations of the evaluation (and the effect of these on the evaluation)

There was insufficient time allocated for the mission in Binh Dinh in relation to the large number of stakeholders to be consulted and the need to visit seven districts to assess field implementation. The project financial system was not systematically inspected due to these time constraints with the result that comments on the project financial system in this report are general only. The MTR team would have also benefitted from more programmed time spent with the CTA. One extra day in Binh Dinh would have been sufficient to complete these tasks satisfactorily.

Findings and conclusions

General

Relevance

The overall goal and purpose of the project as designed in 2008 remain relevant to the needs and priorities of the Binh Dinh agriculture sector in 2011. The project design reflected the priorities

of the New Zealand Aid Programme at the time of design in 2008, but less so in 2011 due to changes in MFAT's focus in the ASEAN region in particular the Agriculture Diplomacy Flagship launched in 2010. The Agriculture Diplomacy Flagship emphasizes use of New Zealand expertise in MFAT-supported projects, but there have been no New Zealand consultancy or technical inputs to project implementation under the MSC.

The original design of components 1 (Safe Vegetables) and 3 (Livestock) remain valid and are proceeding largely according to the Project Design Document. The design of Component 2 (Coconuts) was revised based on recommendations from the Coconut Sector Study conducted in 2010. The Component 2 objective remains the same as originally designed, but activities and outputs in the Results Framework have changed. The revised activities to be implemented under Component 2 should meet the specified performance indicators in the Results Framework (Appendix C, Monitoring and Evaluation Framework, URS 16 April 2010) which largely reflect benefits to households rather than benefits for enterprises.

The project is contributing to local implementation of the national Strategy on Agriculture, Farmers and Rural sector, including the New Rural Development Programme (2010-2020). It is doing this through product quality improvement (safe vegetables, livestock), training of farmers, and development of household-based industry through the coconut component. The safe vegetables component is the first application of the national good agricultural practices (VietGAP standard) in Binh Dinh.

The primary local stakeholders (PPC, DARD, district governments and farmers) confirmed that project objectives remain relevant to their priorities. The Results Framework still reflects the priorities as seen by these stakeholders. The project is addressing items in the safe vegetables, livestock and coconut sectors that will contribute to improved livelihoods for farmers.

Effectiveness

Implementation Progress

Implementation progress has been slow in the first two years with overall disbursement to 30 June 2011 only achieving 16% of the total 4 year project budget. Implementation progress is also behind schedule. The time lost due to initial delays (extended inception period (from 6 to 12 months), late appointment of the MSC and

deployment of ITAs, complex administrative procedures, late submission and approval of the 2011 work plan and budget) resulted in a very slow start and has set the project back significantly. It is very unlikely that the project can now achieve the planned objectives within the planned four-year time frame.

Despite this slow start, the building blocks for each component are now in place to significantly speed up implementation progress in the second half of the project. URS reports that cumulative disbursement is expected to reach close to 30% by the end of 2012.

The three-step project design process remains appropriate for the safe vegetables, livestock and coconut components. The safe vegetables and livestock components have followed the PDD steps reasonably closely, and are being implemented in a systematic manner based on the project design process. These two components have laid a good base for further development of the project approach and scaling up in the future. They should continue according to the project design with any scaling up based on meeting the agreed Stop/Go criteria. The restructuring of the coconut component based on the recommendations of the coconut sector study has been appropriate. The component should continue subject to meeting the proposed agreed Stop/Go criteria by the end of 2011.

A request for a one year extension was made by DARD in the July 2011 progress report. To justify an extension, progress on all three components needs to speed up significantly (without reducing implementation quality) during the remainder of 2011 and first half of 2012 to give MFAT confidence that an extension will enable project objectives to be achieved.

Technical Aspects

The focus to date in the safe vegetable and livestock components has been on technical interventions to improving crop safety and livestock productivity. This work needs to continue to ensure that the approaches and methods introduced are adopted and embedded. However, there has been little focus on strengthening farmer capability to develop better market connections themselves, or accessing the market in a different way. A major focus in the second half of the project should be on strengthening farmer linkages and ability to access the market.

Stakeholders

The overall project structure remains appropriate, but effectiveness of the main project stakeholders in project implementation has been mixed. The PPC has provided good support to the project and this support will need to continue to help the project speed up and achieve its development objective. The PMB has provided useful guidance to the project, but needs to be more proactive in monitoring and directing project progress, including helping the PO to resolve implementation bottlenecks, such as the financial and procurement approval processes.

DARD is playing a very active role in the project, but closer coordination is required between DARD, Project Office, URS, CTA, ITA and NTAs to improve effectiveness of project delivery and capacity building. Limited availability of senior PIT staff for field work and during ITA visits has limited technical progress, knowledge transfer and opportunities for DARD capacity building from ITAs and NTAs. Selection of senior DARD staff as PIT members has also meant that capacity building has not reached down to younger staff who would benefit much more from the opportunity to develop new skills. As a result, DARD is not getting full benefit in terms of capacity building from ITA and NTA inputs and on-the-job training.

The Project Office is a very dedicated team and with the assistance of the CTA has established project management procedures, but further training and capacity building for Project Office staff is required to accelerate project progress. A Project Coordinator (with a livestock background) has also been recently appointed to the PO to support coordination among all components and day to day project management.

URS has provided adequate international consultants and a very experienced CTA who had spent 52% of his total planned inputs by the end of September 2011. Of concern is the time expended by the ITAs (73% to end of September 2011 of total budgeted input) in relation to overall project progress. The project design planned for a large part of the CTA and ITA inputs in the first half of the project on the assumption that local capacity would be developed sufficiently to then run the project with decreasing international assistance. However, local capacity development has been slower than envisaged by the design. This has required more ITA inputs during the first two years than originally planned. The ITA focus to date has been mainly on developing the technical programme, but could have included

more technical training to PITs to help develop their technical capacity.

The New Zealand Embassy support to the project is appreciated by all local stakeholders. However, longer visits to Binh Dinh with field visits to project sites would enable a better MFAT understanding of the project impact, especially in the safe vegetable and livestock components.

Capacity building

The baseline capacity survey³ prepared in May 2011 indicates that DARD project management capacity at the start of the project was weak in many areas, and lower than assumed during project design. The survey identified priority areas for training in project management (especially in the project cycle, service delivery and project sustainability) and technical training support at both provincial and district levels.

The capacity building plan for 2010/11 and 2012 was designed to address key weaknesses identified in the baseline survey and at least eight training courses listed under the plan have been conducted for DARD, PIT and selected CIG staff. However, the training needs remain large at all levels and capacity building continues to require major focus in 2012 and 2013.

The training programmes for DARD staff in project management, safe vegetables and livestock planned for late 2011 and 2012 appear generally appropriate, but should be complemented by additional training indicated in the Recommendations section of this report. The training focus of the coconut component for 2012 should be reviewed in line with the component focus on supporting small enterprises and outsourcing to households.

Farmers have required considerable technical training to implement the safe vegetables and livestock activities. For safe vegetable farmers this has included training in VietGAP principles and requirements, and in agronomic methods to meet the VietGAP standards, all of which have been new to them. Similarly, beef and rabbit farmers have required considerable technical training to implement the new practices for beef fattening and rabbit production,

● _____
³ Binh Dinh Rural Livelihoods: Linking Poor Rural Households to Market Project: Baseline Capacity Survey and Capacity Strengthening Strategy for Binh Dinh DARD Staff, May 2011

as well as CIG organisational activities. Embedding such training into on-farm practice takes time and on-going training support for farmers in these areas continues to be required.

The PITs are key to leading the project technical inputs, but DARD and district staff involvement was initially slow due to competing demands on their time. This remains an issue for senior DARD staff members in the PITs. The expansion of the PIT teams and involvement of sub-PITs at district level for safe vegetables and livestock has seen these two components move forward better in 2011. PITs appear to be developing stronger ownership of project technical development and this needs to be encouraged to reduce the initial dependence on ITAs. The district sub-PITs are playing a key role in project delivery to farmers, but need strong ongoing support from DARD, District People's Committees, provincial PITs and NTAs.

Technical knowledge transfer from ITAs and NTAs to PITs has not fully met PIT needs and requires further strengthening. PITs report there has been good training on the training of trainers (TOT) process, but want ITAs/NTAs to provide more practical technical training during their remaining inputs. PITs have appreciated CTA training on project management and risk management, but have requested more in-depth training in specific topics, such as project planning, monitoring and evaluation. There is an urgent need for the CTA, NTA and remaining ITA inputs to focus on mentoring, technical training and knowledge transfer to PO staff and PITs so that they can implement the project with reduced international assistance over the remaining years.

Cross Cutting Issues

The project has responded effectively to addressing cross cutting issues of gender, environment and food safety. Components 1, 2 and 3 are all actively targeting women. Women are very active in safe vegetable production in Tuy Phuoc and Tay Son districts, and comprise 40% of registered farmers in the Thuan Nghia CIG in Tay Son. The coconut component will assist small enterprises that will outsource spun twine production to women in nearby households and employ women in their factories to undertake twine production, mat production and other detailed work. The rabbit subcomponent in Component 3 is solely targeting income generation for poor women who otherwise would not be in the workforce. The application of good agricultural practices to achieve VietGAP standards in the safe vegetable component is having positive environmental benefits

through reduced use of chemical pesticides and fertilizers. This component is also directly addressing food safety issues. Human rights issues are not relevant to this project.

Financial management

The MTR team did not have sufficient time to inspect the financial management system in detail. Requests for financial information by the MTR team were readily provided by PO staff during the mission. However, with an increased rate of expenditure expected in 2012 and 2013 the PO needs to ensure that its financial management system and staff capability are adequate to meet the likely increased demands for accounting, transactions, expenditure and asset management.

Efficiency

In terms of the overall funds disbursed (16% of total budget as at 30 June 2011, excluding MSC and ITA costs), achievements for use of those funds to date are satisfactory. However, adding in the CTA and ITA costs, and considering the rate of disbursement and implementation progress at the mid-term of the project then overall progress is behind schedule.

The systematic three step implementation modality and approach has been appropriate to ensure that project activity decision-making and investment is based on sound information and achievement of agreed targets. However, it is a new approach in Binh Dinh and the time required to understand, establish and implement the process has partly contributed to the slow disbursement and overall progress.

The existing management arrangements are generally appropriate, but better coordination and forward planning is needed between DARD, PO and URS for timing and content of ITA and NTA visits, and availability of PIT members to work alongside ITA and NTAs. The fact that ITAs and NTAs are contracted by different entities (URS and PO) and have other duties and work programmes to schedule time for has affected coordination of inputs and some delays. The PO has reported difficulties in getting suitable NTAs at reasonable cost.

Procedures for financial and procurement approvals follow Vietnam government procedures, but are cumbersome with many approval steps even for small expense amounts and need to be streamlined to speed up the approvals process.

Despite these issues, the basis has been laid for the project to move forward now that project procedures are in place, there is a better understanding of the project and its objectives at all levels, and lessons from the first two years implementation have been learned.

Specific Findings by Component

Component 1 Certified Safe Vegetables

The safe vegetables component has been a very new approach for farmers, and component progress has been slow (partly due to delays in packing house approval). However, a good foundation has now been laid to move the component forward.

The PIT and sub-PIT members are well organized and very active in carrying out component activities with:

- Clear assignment/responsibilities for PIT/sub-PIT members to deal with each CIG; considerable improvements in 2011 in terms of project understanding and work effectiveness.
- District Sub-PIT staff becoming the key technical link interacting with farmers at project sites and pilot areas.
- CIGs are established and operational (planning, periodical meetings, technical support, production plans, recording, internal audit), but organisation and structures require further improvement.
- VietGAP is new but CIGs have basically complied with VietGAP requirements at farm level, such as soil and water testing, technical training, good practice applications, recording, mapping, and planning.

The market is not developed yet for safe vegetables. The higher value market targeted by the project is currently limited to supermarkets, but the CIGs only provide small amounts of product to Coop Mart in Quy Nhon. However, there are potential consumers in large government organisations, such as military bases, hospitals, schools, public and state offices. Hotels and restaurants are another smaller niche market. Markets from other provinces should also be considered. The success and sustainability of the component will be heavily dependent on how certified products can reach these markets.

Farmers report that application of VietGAP/safe vegetable procedures reduces production cost (roughly 10-20%) because inputs on seed, pesticides, fertilizers and labour are reduced. They report that safe vegetable production is profitable even if sold to traders and the wet

market as usual. If products can be sold to higher value outlets and achieve a price premium as well, then financial returns from safe vegetable production would be increased. Analysis of case study data and cost/benefit analysis is required to verify this.

The provincial government has committed to support market promotion of certified safe vegetables through a media campaign, and send letters to potential and public agencies to buy VietGAP-certified vegetables. DARD is actively supporting the component through the PIT programme, but it is unclear if DARD has its own strategy and work plan for safe vegetables. No such strategy, work programme or 2012 budget were provided to the MTR team.

Approval of packing facilities should enable the CIGs to obtain VietGAP certification and better access to higher value market outlets. The packing houses should be set up as soon as possible to assist certification and marketing campaigns. The PPC has committed that the province and districts will contribute to the operational costs for the packing facilities for the first few years until a stable market for safe vegetable consumption is established.

Some of the regulations governing VietGAP and safe vegetables are confusing and can be difficult to implement in the field. VietGAP is currently revising and clarifying the safe vegetable regulations and these amendments are expected to be public by the end of 2011. The project manual for VietGAP/safe vegetable/CIG operational guidelines was not in place at the time of the MTR.

Component 2. Increased Income from Coconuts

The main item completed in the coconut component to date has been the Coconut Sector Study (2010). The Study identified clear strategies for development of the sector and these have been endorsed by the PPC. The original PDD design has been modified to incorporate these new priorities into the coconut component. The component approach now is to support mainly husk fibre and kernel processing small enterprises that have input supply and employment arrangements that target poor women and poor farm households, thus connecting such beneficiaries to the value chain.

In terms of the three-step project implementation approach, Step 1 (sector study) has been completed. The initial two enterprises to be supported under the Facility Fund should be used to demonstrate

Step 2 (i.e. demonstrate effective, efficient, profitable market-led systems).

The PIT members at provincial level and Hoai Nhon and Phu My districts have a good understanding of the local coconut sector and the recommended overall direction for the industry's development based on the sector study priorities. Several of the PITs are working with local coconut processing businesses to support their upgrade plans.

Three of the four proposed criteria for the Stop/Go decision on further supporting the coconut component (URS Progress Report on Coconut Component, October 2011) have been or are close to being achieved (i.e. (1) identification of clear strategies for development of the coconut industry from the Coconut Sector Study which are endorsed by the PPC and concerned stakeholders through the stakeholder workshop conducted in 2010 (almost achieved), (2) provision of support by the provincial DARD to support enhanced coconut production following the recommendations from the Coconut sector Study, and (3) identification of viable business opportunities for scaling up existing SMEs engaged in husk and oil processing).

The Provincial Agricultural Extension Centre has been providing support to the coconut sector since 2003. This includes introduction and seed nut propagation of improved hybrid varieties, coconut mite control, provision of household level processing equipment, and farmer training on various aspects of coconut production. Total investment from 2003-2011 was VND2,314 m (USD112,000). In 2012 DARD have committed to expanding their support to a range of activities supporting enhanced coconut productivity with an investment of VND520m (USD25,121). Although small, this is an increase from the last few years, but still less than the level of five years ago. Under criteria 1 and 2, DARD should further clarify to MFAT the reasons for low investment in coconuts in the last two or three years and what its strategic vision is for long term support to the coconut sector. This should be done by end of 2011.

Business plans for two husk processing SMEs have been received by the PO for funding through the Facility Fund. A third business plan is under preparation for a virgin coconut oil SME. The first two plans submitted (Xuan Huong, Ngoc Chung) generally meet the project objectives, but need to be formally evaluated against the approved Facility Fund guidelines. The project objective of helping small

farmers access the market chain is a very important criteria for selection of business proposals under the Facility Fund. It is present to some degree in the two business plans submitted to date proposals, but could be strengthened in each of the plans. This should be given stronger emphasis in selection criteria under the Facility Fund.

Progress on the fourth Stop/Go criteria (commitment of the PPC and DARD to provide enhanced support to the coconut sector through the establishment of a multi-agency task force) has been slower. The October 2011 URS report stated that such a task force is necessary to (a) coordinate and lead delivery of activities under the coconut sector strategy, and (b) bring the public and private sector together more effectively to jointly identify and address major challenges facing the industry, thus creating a more effective enabling environment. However, creation of a formal task force may be difficult to achieve in the short term and should not be a prerequisite for the Stop/Go decision on the coconut component. More important at this stage would be to establish practical interdepartmental cooperation at project level, such as a possible investment feasibility study on coconut milk production in 2012 that will be done with PIT, DoIT and DPI staff inputs. A more practical short term approach would be to get other agencies, such as DoIT and DPI, to become part of the coconut PIT.

Component 3 Profitable Livestock Systems

General

The livestock component remains relevant to the project objectives and no major changes are recommended to the activities and outputs in the PDD. Overall component progress is satisfactory, with livestock CIGs performing well and receiving training and capacity building. Farmers are obtaining increased income from the cattle and rabbit activities. However, the degree to which technical improvements are embedded appears fragile, and both the beef and rabbit CIGs will need continued technical support.

Support from the Livestock PIT has improved in 2011 with the appointment of additional PIT members, and District Livestock sub-PITs. The pace of implementation has therefore increased.

Suggestions for scaling up the beef and rabbit activities have been made in the September 2011 Livestock ITA report. However, a

detailed assessment of the viability and cost-benefit analysis still needs to be done as part of the Step 3 Stop/Go decision.

Beef

The three cattle CIGs are performing satisfactorily and receiving training and capacity building through study tours and farmer field schools (FFS). However, farmers have requested more practical training rather than “classroom” training, and that such training should be targeted at their specific needs and issues. The livestock FFS have been largely delivered in a “classroom” setting. This has occurred mainly because livestock PIT members have little previous experience of, or formal training, in the conduct of FFS. Further training for livestock PITs in conduct of practical FFS is required.

Farmers report that the beef cattle interventions of improved feeds, nutrition and finishing are resulting in shorter fattening times enabling them to get animals to market sooner. The number of cattle held by CIG members has increased, especially cattle for finishing. However, feed supplies remain the overriding constraint to further productivity and profitability improvement. The forage activity should be a major priority going forward. The application of procedures for fattening cattle and feed production requires closer supervision and follow up by the PIT team.

Cattle scales and feed choppers have been provided to CIGs, but have had limited use as yet. Progress on establishment of the silage demonstrations has been very slow with mixed impact so far. No standard silage tank was observed by the MTR, and only a few farmers were making silage. The PO is still trying to find a supplier of plastic tanks to be used in the demonstrations.

Members still act by themselves in selling finished cattle and buying new cattle for fattening. The CIG leaders play an important role but need to train others to share CIG tasks (e.g., recording work, arrangement of group meetings, and coordination among members) to ease the workload and encourage better development of group culture. The mission noted a low level of women and poor household participation in beef cattle CIGs.

It is too early to assess the overall effectiveness of the cattle breeding activity because some of female cattle have only just become pregnant in the last few months.

Rabbits

Rabbits are a small activity, but very well targeted on poor women who are obtaining income that they would not otherwise receive. Intensive rabbit production is well suited to poor households because of its low capital requirements. Rabbit production in Phu Cat district has been very successful with poor households making good profits. Performance in Hoai An and An Nhon have been mixed. However, reasons for initial poor performance in those districts are now understood and improvements have been made with improved survival rates in the second half of 2011. Feed supply is critical to the technical and commercial success of the rabbit enterprises. Rabbit production is technically risky and the strong technical assistance and training provided by the Long My Livestock Station will continue to be required. Farmers in Phu Cat report strong market demand for both breeding and meat rabbits, but it is not known how deep this market is.

Component 4. Project Management

Late delivery of the 2011 work plan and a very slow approval process for the 2011 Annual Work Plan Budget (AWPB) and Bidding Plan resulted in the 2011 budget not being approved until April 2011. This resulted in serious delays because procurement could not start until mid-April. This has been a factor contributing to slow progress in 2011 and should not occur in future years.

The PO has submitted a revised project budget to MFAT based on a one-year extension to July 2014. The MTR team reviewed the draft adjustment plan and report. It has no objection to the proposed changes provided (a) the project shows a marked increase in implementation progress by June 2012 (see Recommendations), and (b) subsequent Stop/Go decisions for each component justify continuing with activities.

One of the factors contributing to slow progress appears to be the many steps and complicated procedures that project expense approvals and procurement applications need to go through. There is a legal process to follow, but any delays slow project implementation down. At present all budget adjustments require approval from MFAT, PPC, DARD and DOF. The project is unable to transfer unspent funds within an approved AWPB from budget lines where the activity is complete to other potentially over spent budget lines without getting approvals from all these organisations.

The draft Facility Fund Guidelines were reviewed and found to be generally appropriate.

The PO team is very dedicated and has made a very good contribution to systematically developing the project. The PO capability is increasing, but further capacity building is needed to help improve the effectiveness and efficiency of project management for the project, and also the capability of DARD and the PO to apply the project management methods learned in its own programmes once New Zealand assistance ends.

Lessons learned

The main lessons learned to date are:

1. All major inputs (funding, human resources, consultants) to capacity building projects should be in place at the start of project implementation, such as the MSC, ITA and NTA support, so that capacity building and project implementation activities can begin immediately rather than well after start up.
2. Capacity building of local staff (especially in project management) should start at the very beginning of project implementation with CTA, ITAs, NTAs and counterpart staff working closely together throughout project implementation.
3. Counterpart agencies, such as DARD, need to make technical counterpart staff (e.g. PITs) fully available to provide timely support to CIGs and to work alongside ITAs and NTAs to obtain maximum benefit from knowledge transfer and training.
4. Counterpart agencies (i.e. DARD) need to make sure that annual work plan budgets are submitted on time for approval and release of counterpart funds on schedule.
5. The systematic three-step approach to project design based on market analysis and demonstration is enabling promotion and scaling up of activities to be based on sound analysis, successfully demonstrated activities and lessons learned.
6. Good support for the project by the safe vegetable and livestock CIGs is reflecting the approach of farmer participation at all stages in activity planning, design, and monitoring in these two components. This is resulting in project interventions that are beginning to generate improved production and income generation benefits for farmers in these components.
7. Project management systems and decision-making should be kept simple, responsive, efficient, and effective to enable decisions to be made quickly with appropriate delegation of authority to the

Project Manager and PIT team leaders to avoid delays in decision-making.

8. The project is carried out at provincial level, but communication and frequent exchange of information with national level MARD needs to be strengthened to ensure that new policies/guidelines are applied during project implementation.

Recommendations

Recommendations on Main Issues

Speed Up Implementation Progress

- Due to the slow start, the project needs to show a major increase in speed of project implementation over the next 9 months if it is to achieve its objectives. Strict output and disbursement targets to be achieved by June 2012 should be agreed by MFAT and DARD (MFAT, DARD) immediately. This should be based on detailed and feasible work plans for each component and for the overall project to be prepared by the end of December 2011 (PO). *High Priority* (Immediate).
- Any agreement by MFAT to the proposed one-year extension should be conditional on (a) a major increase in the speed of project implementation progress over the next 9 months, and (b) satisfactory progress against agreed output and disbursement targets by June 2012. Overall GFA disbursement progress should aim to achieve 45-50% by end of June 2012. Outputs to be achieved should include completion of all items specified in the 2011 AWPB and those scheduled for first half of the 2012 AWPB (DARD, PO). *High Priority* (June 2012).
- If the agreed targets are not reached, then no extension should be granted and the project should be scaled back with a reduced Facility Fund and the project concluded in June 2013 (MFAT, PPC, DARD, PO). *High Priority* (June 2012).
- Recommended actions to help speed up include, but are not limited to:
 - PMB should increase its monitoring of project progress and provide additional support to the PO including review project decision making approval procedures at all levels; and identify measures to minimise delays in approvals, including financial and procurement applications (PO, DARD) and approvals (PPC, DOF, DPI, Treasury, MFAT). *High Priority* (Immediate).
 - Ensure PITs and sub-PITs are able to fully contribute to the project as per the agreed time allocation in the GFA by (a) releasing PITs and sub-PITs from some of their other DARD/district duties to ensure their availability for the project, and (b) ensuring that relevant PIT members are

available to work with ITAs and NTAs when they are in Binh Dinh (DARD and District People's Committees). *High Priority* (Immediate).

- Continue to strengthen the PO through training and add extra staff if needed (PO). *High Priority* (On-going).
- Identify suitable interventions for the Facility Fund based on experience of successful pilot activities during the first two years (PO, PMB, PITs). *Medium Priority* (by June 2012).
- Replicate the successful models and lessons learned from the first two years, save time on the study-test steps before scaling up in new CIGs (PO). These could include but are not restricted to the rabbit model in Phu Cat district, safe vegetables in Thuan Nghia (Tay Son) and Tuy Phuoc. *Medium Priority* (by June 2012).

Market Linkages

- Stronger emphasis should be placed on strengthening farmer access to higher value markets and the value chain in the second half of the project with training of CIG leaders on marketing, sales, market links, leadership and farmer organisation in relation to sales and marketing, etc (PMB, PO, CTA, DARD, PITs). *High Priority* (on-going to project end).
- In strengthening market linkages in the safe vegetable component, the project strategy should be to embrace the "farm to table" concept involving traders, end-buyers (e.g. supermarkets) and consumer in planning, market linkage training and awareness raising so that the producers have clear understanding of buyer and consumer product and quality needs (PMB, PO, CTA, DARD, PITs). *High Priority* (on-going to project end).
- Implementing more market-oriented value chain projects should also have more active involvement of other relevant line agencies (such as DPI, DoIT, Investment and Trade Promotion Centre) as well as DARD. The PMB should consider getting appropriate staff from these other relevant line agencies to join the PITs (PMB). This would be very relevant for the coconut component and most likely the other two components also. *High Priority* (Immediate).
- PITs and sub-PITs have requested more marketing and agribusiness skills training so they can assist CIGs in these areas (NTAs, PO). The PO should review the NTA consultant mix for the second half of the project to strengthen NTA inputs on agribusiness, market linkage, small business/cooperative operations and management inputs to PITs and CIGs for each sector (PO). *High Priority* (by March 2012)
- Market linkages in the livestock component could be strengthened by households aggregating animals for sale and group approaches

to sales and marketing (PITs, CIGs). *Medium Priority* (June 2012).

Capacity Building

- Capacity building of the PO, PITs, sub-PITs and district staff must be an important focus in the second half of the project to prepare them to implement the project approach unassisted once NZ inputs end. Such capacity building should be an important focus of remaining CTA, ITA and NTA inputs in 2012 and 2013 (PO, URS, CTA, ITAs, NTAs). *High Priority* (on-going to project end).
- Ongoing strengthening of the PO project management capacity (training, human resources, systems) is required so that the PO can increasingly manage the project with reducing CTA assistance over the remaining project period (CTA, PO). The CTA should play a key role on further project and risk management training. It does not need to be outsourced. *High Priority* (on-going to project end).
- All on-going capacity building should be a combination of on-the-job coaching, mentoring and technical training courses (CTA, PO).
- DARD should review the mix of PIT staff to ensure there is an appropriate balance of experienced senior staff in PITs to guide project delivery, but also younger staff to benefit from capacity building. *Medium Priority* (March 2012)
- Training courses to the PITs should be delivered largely by NTAs, but with technical support from ITAs (NTAs, ITAs). *Medium Priority* (on-going to project end).
- Stronger emphasis should be placed on providing CIG members with training and assistance in establishing market linkages, especially for safe vegetables and livestock, in addition to items already in the current capacity-building plan (DARD, PITs, NTAs). *Medium Priority* (by end 2012).
- Stronger emphasis in the 2012 coconut capacity building plan should be on technical skills training for household-based producers and business training support for enterprises (NTAs, PIT), with the DARD budget supporting training in productivity improvement items (DARD). *Medium Priority* based on Stop Go decision for the component (by June 2012).

Component Continuation

- Each component should continue subject to resolution of the main issues listed above, achievement of agreed Stop/Go criteria for each stage, and component-specific issues/recommendations made below. *High Priority*. All Stop/Go decisions should be completed by June 2012.

Specific Recommendations for Each Component

Component 1: Certified Safe vegetables

- The full value chain for VietGAP certified safe vegetables from production to consumption has not been fully demonstrated yet because of the certification delays. For the next 9 months the component should consolidate the production, marketing and VietGAP certification by the current two CIGs, including use of the packing facilities. Demonstration of effective and efficient operation of a value chain for VietGAP certified safe vegetables from the two pilot project areas must be a precondition for expanding production areas and the component activities. Therefore, the Stop/Go decision should be deferred until June 2012 when VietGAP certified safe vegetables are being marketed and an informed decision can be made on scaling up activities. *High Priority*. (June 2012).
- Any scaling up must be based on achieving the agreed Stop/Go criteria (refer ITA September 2011 Interim Report Component 1 Certified Safe Vegetables, table page 14), (all *High Priority*):
 - The VietGAP programme for supporting safe vegetable production in Binh Dinh should be firmly in line with the general direction at national level (DARD).
 - Clear and firm commitment by DARD to support VietGAP safe vegetable production in Binh Dinh, including provision to MFAT of details of human resources allocated and 2012 budget for supporting expansion of VietGAP certified safe vegetable production in the province (DARD). (by January 2012).
 - Technical feasibility of producing safe vegetables in Binh Dinh. Safe vegetable production has not proved technically difficult to date, but DARD must commit to providing further training for more district staff on technical aspects of safe vegetable production – this can be done with project support in 2012, but DARD should identify (by the end of 2011) additional staff who will be available in Tay Son and Tuy Phuoc to support any expansion (DARD).
 - Market potential for safe vegetables produced in Binh Dinh – By the end of 2011 DARD must provide to MFAT a clear outline of the strategy to develop the market in Binh Dinh and each project district in 2012 (DARD).
 - Economic feasibility of production of VietGAP certified safe vegetables – As soon as the first certified safe vegetables are marketed and case study household data are available (early 2012), DARD/PO must provide MFAT with a detailed financial analysis of the production to demonstrate profitability taking into account costs of the packing facilities

and impacts of input subsidies to existing CIGs and impacts of their withdrawal for the future (DARD).

- The Safe Vegetable Operations Manual should be completed and distributed as soon as possible (ITA, NTA). *High Priority* (December 2011).
- Packing facilities should be constructed and farmers trained in their operation and management in time for the next vegetable season (PO, CIGs). *High Priority* (by January 2012).
- Provincial and district funds promised by the PPC for the packing facility first year operating costs should be allocated in the 2012 DARD/district budgets so that the funds are available when the packing facilities become operational in the next vegetable season (PPC, DARD). *High Priority* (by January 2012).
- An action plan for specific media campaign activities supported by the PPC should be prepared and implemented to raise market and customer awareness for the next vegetable season when certified safe products are expected to be available (DARD, PO). For example, letters from the PPC should be sent to all large government institutions, such as government offices, hospitals, schools, military bases, etc promoting use of safe vegetables (PPC, DARD, PO). *High Priority* (by January 2012).
- The project should make use of the market survey results and national TA or marketing consultants to develop a marketing strategy and plan for the whole component and each CIG. This includes product branding. This strategy and plan should be prepared in time for the next vegetable season and link with provincial promotional plans for safe vegetable development (ITA, NTA, PIT, DARD). *Medium Priority* (by June 2012).
- CIG capacity building should include ongoing technical assistance and training in:
 - VietGAP standards and organisational skills required to achieve them for certification of group producers, including crop technical procedures, group management, internal quality management system (operational regulations, VietGAP supervisor, internal audit, documentation, filing and recording system to provide evidence of traceability (both at farmer and group levels)) (DARD, PIT, NTA). *Medium Priority* (by June 2012).
 - Agribusiness, marketing, and organisational management (opening bank accounts, contract negotiation, production planning and order fulfilment, quality standards, registering small-scale business, etc) for CIG leaders (PO, PIT, NTA). *Medium Priority* (by June 2012).
 - Technical production aspects for CIG members, including women, including quality requirements so that products meet market and consumer requirements (DARD, PIT, NTA). *Medium Priority* (by June 2012).

- Additional training sessions in the above areas should be provided where they are not covered by the current capacity building plan for late 2011 and 2012 (PO, NTA, PIT). *Medium Priority* (by end 2012).
- Posters and brochures to demonstrate technical requirements should be developed to help farmers better understand VietGAP requirements and agronomic methods to achieve the standards (PO, PIT, NTA). *Medium Priority* (by June 2012).
- Once certification is achieved CIGs should diversify their approach to developing safe vegetable market chains with buyers both within and outside Binh Dinh, such as supermarket, government organisations, wholesale, safe vegetable stall at wet markets, restaurants, etc, including opportunities in Gia Lai (DARD, CIGs). *Medium Priority* (by June 2012).
- DARD and PITs should review good practices from other projects related to safe agricultural production (e.g. CIDA, VECO, World Bank ACP, JICA, ADB funded projects) and apply relevant ones *Medium Priority* (by June 2012). These include, but are not limited to:
 - Development and operation of farmer producer groups
 - Operation and management of packing facilities
 - Development of marketing plans and product branding
 - Mechanisms for group collection of products and distribution of value among CIG members in group supply to buyers
 - Technical documents developed by the CIDA project (e.g. manual for VietGAP application in vegetables, Standard Operating Procedures (SOPs) for good on-farm agricultural practices, SOP/Manual for packing houses, log book (guidelines for recording and keeping records) and guidelines for Internal Quality Management Systems. Those documents have been validated through CIDA pilot projects in the last two years and would be useful in finalising the project technical manuals.
 - Promoting the concept of “Safe Vegetable Villages/Communes” as part of the media campaign to market the project villages/communes as safe vegetable producers. The Project Office should discuss this concept with the Belgian INGO VECO which has successfully applied this concept in Viet Tri city (Phu Tho province) and Lang Son city (Lang Son province).
- Preparation and planning for sustaining production quality levels should be undertaken by CIGs once VietGAP has been achieved. This includes plans for maintenance of good practices, production plans to supply consistent volume and types of ordered products; and for off-season production (such as using simple nets) so they

can supply year-round (PIT, CIGs). *Medium Priority* (by end 2012).

Component 2. Increased Income from Coconuts

Coconut Component

- The coconut component should continue subject to full achievement of the first three Stop/Go criteria in Table 1 of the URS Progress Report on Coconut Component (October 2011). Further actions required to achieve these criteria as specified in the above report are endorsed by the MTR and include:
 - DARD has provided detail of its 2012 programme, budget, and support of on-farm demonstrations to MFAT, but is requested to provide details of its strategic vision for the coconut sector, proposed activities, and indicative budget that it will provide over the remaining project duration (DARD, PMB). (Criteria 2). *High Priority* (by end December 2011).
 - Details of other relevant provincial government funding plans and sources (such as DoIT, DPI) for the coconut sector to 2014 should also be provided to MFAT by end of 2011 to help assess government commitment to the coconut sector (PMB, PPC). *High Priority* (by end December 2011).
 - Viable business plans for husk and kernel processing enterprises should be submitted to the Facility Fund Evaluation Committee for consideration (Criteria 3) (SMEs). *High Priority* (by March 2012).
- The fourth Stop/Go criteria concerning establishment of a multi-agency task force should be relaxed. It should be replaced with a requirement for other agencies relevant to coconut sector development, initially DoIT, to formally become part of the coconut PIT (DARD, DoIT, PMB). *High Priority* (decision by end of December 2011, implementation by March 2012).
- Experience gained from such interdepartmental and SME cooperation should then be assessed in terms of the need for, and feasibility of, establishing a multi-agency task force later in 2012. *Medium Priority* (by September 2012).
- Criteria 4 should also include the requirement that DARD commit to including coconuts in the list of agricultural commodities that they monitor (DARD). *High Priority* (by end of December 2011)
- The PIT training focus of the coconut component for 2012 should be reviewed in line with the component focus on supporting small enterprises and outsourcing to households. The focus of capacity building for coconut PITs should be on refining PIT member skills and approaches in supporting enterprises to develop and implement their business, deepening their knowledge of specific processing technologies and market opportunities and challenges

for particular coconut products (NTA, ITA). *Medium Priority* (June 2012 subject to Stop Go decision).

- The MTR has no objection to the proposed Kerala, India study tour. *Medium Priority* (by June 2012).
- Due diligence should be undertaken on the enterprises prior to approval for financing under the Facility Fund to ensure that they are financially viable, can contribute their proportion of funds, and have sound prospects for sustainability (Facility Fund Evaluation Group (FFEG)). *Medium Priority* (within two weeks of formal submission to FFEG).
- The business plans for the husk SMEs should specify targets for the total incremental income paid by the SME to workers, raw material suppliers, and out-source worker households (SMEs). Financial payments to workers, suppliers and out-source worker households should be monitored and reported as part of the performance criteria for payment of the final tranche of any Facility Fund investment for coconut enterprises (PIT, SMEs). *Medium Priority* (for each enterprise).
- Monitoring and evaluation (M&E) should include a baseline assessment of incomes and situation of target out-source worker households (husk enterprises) and cooperative farmers (VCO) at the start of any husk or VCO enterprise investment. A follow up assessment before project end should be made to assess the impact that project support to the enterprise has had on households (SME, PIT). This item is not covered under the main project M&E system. *Medium Priority* (for each enterprise).
- All enterprises visited, especially Xuan Huong and Ngoc Chung will need training in business management and marketing if they are approved under the Facility Fund. Such training should be part of the component (PO, PIT, NTA). *Medium Priority* (by March 2012).
- If selected under the Facility Fund, the first two coconut husk SMEs should be carefully monitored during 2012 regarding use of project investments, business growth, increased raw material purchase from farmers, wage levels paid and numbers of workers employed, and profitability. Results from these first two SMEs should be considered in deciding whether to fund other enterprises of a similar type under the Facility Fund (PO, PIT, Facility Fund Evaluation Group). *Medium Priority* (by end 2012).

Component 3. Profitable Livestock Systems

- Addressing the forage/nutrition theme should be a key priority going forward for the beef subcomponent. The MTR endorses the recommendations for this made by the ITA in his September 2011 report including:
 - Procurement of additional planting material of the recommended cultivars and multiplication on-station and on-farm for distribution to CIG members (Long My)

- Multiplication of grasses from seed to be conducted on-station only (Long My)
- Further training and FFS demonstrations of forage production and conservation (Long My, PIT)
- Engagement of a national forage specialist advisor (PO)
- Additional support to Long My to expand and manage the forage nursery (DARD, PO).

These items are urgent to achieve significant progress in the current wet season and should be financed from the 2011 work plan and budget which is underspent in other areas.

High Priority (December 2011).

- CIG/farmer training should focus on (a) technical needs with more “learning by doing” training methods in practical skills especially in beef cattle CIGs; (b) consolidating beef cattle technical training to embed forage, fattening and finishing methods; (c) increased emphasis on marketing training and linking both beef and rabbit CIGs better to markets; and (d) agribusiness and management skills to CIG leaders and members to allow them to work together as market-led organisations – this will require provincial level PIT and NTA training support (DARD, PIT, NTA). Medium Priority (on-going to project end).
- Livestock technical support and farmer training should be increasingly devolved to the district level over time, with the PO Project Coordinator and provincial PIT providing a coordination, facilitation and supervision role. Sub-PITs and district staff should provide closer supervision of on-site CIG activities and farmers’ practices for timely resolution of problems (DARD, PITs, Districts). More use should be made of local service providers for farmer training, including farmer-trainers, but training for livestock sub PITs and district staff in conduct of practical FFS is required first (NTA). Medium Priority (on-going to project end).
- Any decision to scale up for either cattle or rabbits should only be made after (a) Step 2 activities adequately demonstrate effective, efficient and profitable market-led systems and data analysis indicates technical and financial viability (including cost-benefit analysis) of each investment, (b) a clear strategy is in place to scale up, (c) capacity is in place to manage an expanded programme, and (d) depth of the rabbit market is better known (PO, ITA, NTA, PIT, PMB). Medium Priority (by June 2012).
- Scaling up the rabbit subproject could include scaling up to new CIGs or extension of current CIGs with focus more on Phu Cat Dist (priority) and rural areas in other districts. To extend the project in Phu Cat, a solution for water shortage should be taken into consideration (PIT, District governments). Medium Priority (by June 2012).

- The livestock marketing study has not presented a credible case for a physical cattle market. A decision to build a livestock market should not be taken until alternative marketing options have been explored (e.g. group buying and selling of cattle), including a study tour to learn about physical cattle market in other provinces (Nghe An) or successful group marketing initiatives to other provinces (PIT, NTA). *Medium Priority* (by March 2012).
- Consideration should be given to quality slaughter points where beef could be locally killed according to quality standards and carcasses sold to institutional buyers rather than just selling live cattle (PO, PIT, DARD). This would help move beef farmers further up the value chain and reduce condition losses in transport to markets. *Medium Priority* (by June 2012).
- Difficulties of moving feed chopping machines among beef cattle households should be resolved and CIGs should develop clear procedures for using feed choppers and mobile scales (PO, CIG, PIT). *High Priority* (by January 2012).
- Continue to support Long My Station in providing technical support and training to rabbit CIGs (DARD). *High Priority* (on-going to project end).

Component 4: Project Management

Annual Work Plan Budget

- The 2012 AWPB and Procurement Plan should be prepared as early as possible to (a) allow early approval; and (b) ensure that the delays and omissions that occurred in 2011 do not occur in 2012 (PO, CTA). *High Priority* (immediate).
- Lessons learned from each AWPB planning cycle should be documented and applied in subsequent planning cycles (PO). *High Priority* (on-going to project end).

Financial Approvals and Procurement

- To help speed up the financial approval and procurement process:
 - The PO should (a) prepare applications for financial and expense approval and procurement as quickly and efficiently as possible making sure applications meet all criteria; and (b) follow up quickly on applications with the approving agencies (e.g. Binh Dinh Treasury). *High Priority* (on-going to project end).
 - The PPC/PMB Chairperson should meet with relevant departments (including DARD, Treasury, DPI, PPC) to work out measures for speeding up project financial and expense approvals and procurement applications, including shortening the time for procurement plan approval by the relevant departments prior to bid invitation. The PMB members should also take prompt action within their own

departments to speed up approvals in the case of any unreasonable delays. *High Priority* (immediate).

- If there is under expenditure in one budget line activity and that activity is complete for the year, then reallocation to another budget line activity in the same component in the AWPB should only require the approval of the Project Director. If the reallocation exceeds 15% of the new budget line then approval is required from MFAT, PPC, DARD and DPI. *Medium Priority* (by March 2012).

Facility Fund

- Final review and approval of the guidelines should be made as soon as possible so that implementation can start by the end of 2011 (DARD, PO, CTA, PMB). *High Priority* (immediate).
- Processes around business plan review, approval and implementation should be kept as simple and as efficient as possible (Facility Fund Evaluation Group). *Medium Priority* (on-going to project end).
- NTAs and PITs should assist safe vegetable and livestock CIGs and farmer applicants in these sectors with business plan preparation because farmer groups may have little prior experience in business plan preparation compared to enterprises. *Medium Priority* (on-going to project end).
- Application and business plan selection criteria need stronger emphasis on commitment by enterprises/entities to linking with farmers. Business plans should include clear analysis of projected benefits to households (SMEs). Evidence of how farmers have benefitted through household M&E (refer Component 2 Coconut recommendations) should be a factor in approving payment of the final tranche of Facility Fund contracts with enterprises/entities (Facility Fund Evaluation Group). *Medium Priority* (by June 2012).
- Coconut investment activities should be capped at an appropriate level (40% is recommended) of the Facility Fund total to ensure adequate access to the Fund for safe vegetables and livestock activities (PMB). *Medium Priority* (by March 2012).

Project Office

- Due to the need to speed up project implementation and likely increases in workload, PO staff capacity and job roles should be reviewed especially in key areas such as financial management and procurement (PO). *High Priority* (by January 2012).
- Further training for the PO and PITs should be conducted in, but not be limited to the following areas (PO, CTA) *High Priority* (on-going through 2012):
 - Project planning procedures, ongoing training in all aspects of the project cycle.
 - Monitoring and evaluation (M&E) system performance and application as a tool for assessing performance, measuring

impact and adjusting project activities accordingly at both province and district level.

- Financial operations and management – further training for accounting and project administration staff in advanced use of Excel and other related financial management software for use by the project.
- Procurement procedures.
- Risk management strategies and their application at both province and district level in relation to project activities, Stop Go decision-making criteria and scaling up.
- More advanced MS Word use and applications for report writing and data presentation.
- Service delivery training of the PO and PITs, including farm record-keeping, data accuracy and quality assurance, farm and enterprise business plans and budgets, basic financial and economic analysis of investment activities.
- Interaction and collaboration in project planning and delivery should be strengthened between the Project Office and:
 - PITs, ITAs and NTAs with different programmes and units of DARD, especially at district level (CTA, PO). *High Priority* (on-going to project end).
 - Other stakeholders and service providers in the sector, including involvement of farmers, traders, enterprises and end-buyers in project consultation and activity planning (DARD, PO). *Medium Priority* (by June 2012).
- Sub-PITs and district staff should receive equal remuneration uplift percentage to PIT members from working on the project given their increasingly important role and time commitments (PO, DARD). *Medium Priority* (by June 2012).

CTA/ITAs/NTAs

- The CTA should now (a) focus on assisting the PO develop its project management capacity to a level that it can become self sufficient in managing the project in the last two years with reduced CTA input; and (b) discuss training needs on specific project management topics with PO and PIT leaders and then provide the requested training. *High Priority* (immediate).
- Remaining ITA inputs should have a significant focus on PIT and sub-PIT capacity building on technical and market linkage activities to prepare PIT staff for implementing the project unassisted once ITA inputs end (URS, ITAs, CTA). *High Priority* (immediate).
- The MSC Work Plan and TORs for remaining ITA inputs should be agreed with the Project Director by URS before approval (CTA, URS, Project Director). *High Priority* (immediate).
- The PO should act as a focal point to coordinate timing of ITA/NTA inputs with URS and availability of PITs with DARD

during ITA/NTA visits (PO, URS, DARD). *High Priority* (immediate).

- The two months unallocated ITA funds should be used with its specific allocation to be agreed by the PO, PMB, MFAT, and URS. *High Priority* (by January 2012). Part of the funds (up to one month) should be used for the CTA to provide additional project management and capacity building support to the PO in 2012 and 2013. The remaining time should be used for ITA assistance with strengthening market linkage capability preferably using Vietnam-domiciled expatriates, locally-based international agri-business marketing organisations, or suitably qualified Vietnam-based INGOs.
- Planned use of the unallocated NTA inputs in the adjustment plan should be specified in the 2011 end of year report (PO). *High Priority* (immediate).
- NTAs should contribute part of their inputs to training PIT, sub-PIT and district staff who can then provide training to farmers. Some NTAs have provided training to farmers, but as local staff become upskilled farmer training should increasingly be conducted by PITs, sub-PITs and district staff with NTAs providing support. Such training should focus on practical technology and market linkage activities with local application, be on-the-job and practical training to meet farmer needs with less theoretical training, especially in livestock (PITs, District staff). *Medium Priority* (on-going to project end).

URS

- URS should ensure that remaining ITA mission terms of reference include PO and PIT capacity building activities and assistance in market linkage development. *Medium Priority* (on-going for remainder of contract).
- URS should liaise closely with the PO in coordinating the timing of remaining ITA inputs with those of NTAs and PIT staff availability (URS, PO). *Medium Priority* (on-going).
- URS should ensure quick processing of ITA and URS reports to help speed up project decision-making. Reports should be clear and concise to enable quick translation by the PO translator. *Medium Priority* (on-going).

Reporting

- Six-month progress reports from the URS and the Project Office should include progress against results/logical framework activities, outputs and objectives. *Medium Priority* (on-going).
- There are many reports prepared by the project (DARD, URS, ITA reports). While all are useful, there is a very large translation load and DARD, URS and ITAs need to improve coordination of reports, especially from URS and ITAs. Reports should be kept

short and concise while still providing all required information. Medium Priority (on-going).

- Formal reports sent to MFAT by the Project Office and URS should have strict quality control checks before sending to ensure there are no data or other errors (PO, URS). Medium Priority (on-going).

Appendix A: Terms of Reference for the Evaluation

Overview

This document specifies the terms of reference for the Mid-term Review (MTR) of the Binh Dinh Sustainable Rural Livelihoods (BD SRL) project.

Background information

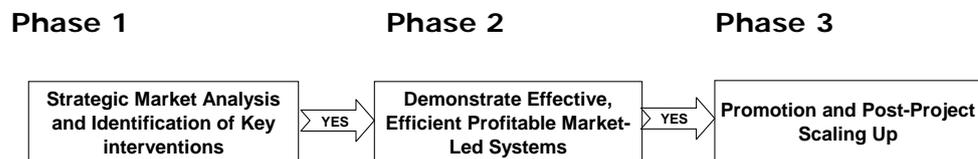
One of the core foci of the New Zealand Aid Programme in Viet Nam is on sustainable rural livelihoods. In 2007, the New Zealand Aid Programme commenced working with the Binh Dinh Provincial Authorities, our long-term counterpart over the past 10 years, to identify the most relevant means of support that New Zealand could offer in the area of sustainable rural livelihoods. As a result of extensive dialogue, research and design over 18 months, a Grant Funding Arrangement (GFA) was signed between the New Zealand Government and Binh Dinh Provincial Peoples Committee (PPC) with a focus on creating value chains between producers and markets that are most relevant to poor rural producers as regards their local context, capacities and opportunities and that will bring about tangible, sustainable improvement to their income and food security.

The overall goal of the project is “to contribute to improved livelihoods of commercially active poor households/farmers by enhancing the competitiveness of the agricultural and rural development sector in Binh Dinh province”.

The project’s purpose is “to strengthen the capacity of provincial institutions and agri-business sector to implement market-led rural development activities to provide sustainable economic social and environmental benefits to commercially active rural households/farmers.”

The project’s implementation strategy is to empower and mentor provincial government departments to deliver project outcomes, underpinned by the development and strengthening of Common Interest Groups (CIGs) of commercially active poor farmer groups, strongly linked through the private sector to markets. The design proposes a program approach to implementation. For each of the three main components there is a common approach to implementation which entails: (i) a detailed sector study/analysis in each of the components including activation of stop-go points in each of components 1, 2 and 3. Once analysis has been completed to determine and plan on-going implementation activities; (ii)

Identification of target sites/communities, baseline studies in target sites preparation of demonstration sites and implementation plans; and (iii) development of strategies for scaling up successful demonstrations.



The sector studies and analyses will help validate (or otherwise) the planned project interventions. If, for any sector/component, the studies show that the net benefit of further investment is doubtful, or the risks associated with it are significant and may not be sufficiently manageable, the Project Management Board (PMB) will decide whether or not the project should proceed in that particular sector. Similarly, if demonstrations in the target sites cannot show significant livelihood benefits, or identify significant unmanageable risks, there will be little point in further investment in scaling up.

The project has four components as follows:

Component 1: Certified Safe Vegetables

Component 2: Increased Income from Coconuts

Component 3: Profitable Livestock Systems

Component 4: Project Management

The project is being implemented over 4 years, including a 6-month inception period which was used to establish the Project Office, to ensure that the regulations relating to establishment and authorisation of the various bodies and implementing teams are approved by the provincial authorities and to develop the project implementation manual and the financial regulations.

The project is jointly executed by the Binh Dinh Provincial People's Committee (PPC) and the NZ Aid Programme. The Provincial Department of Agriculture (DARD) is the implementing agency. The New Zealand Aid Programme contracted URS Ltd. Co, to provide technical support to Binh Dinh PPC and DARD to implement the project since August 2010.

The total budget of the project is US\$2.138 million. Of this, the NZ Government contribution is US\$1.737 million – which includes approximately US\$ 1.202 million for Binh Dinh and US\$ 0.5 million

for the URS contract. The provincial contribution is US\$ 400,500 in which the in-kind contribution is US\$ 200,500 and the cash contribution is US\$200,000.

Purpose of the mid-term review

As stipulated in the GFA, after two years of the implementation, a mid-term review will be undertaken in September/October, 2011. The review was planned to determine implementation progress and effectiveness and whether its activities and implementation approach remain appropriate to government needs and the changing socio-economic development and agricultural landscape in Binh Dinh.

During the first two years of implementation concerns have emerged regarding delays in carrying out the project, low level of disbursement and questions about the overall effectiveness of the implementation. These concerns are to be assessed through the mid-term review in order to guide decision making about the future of the project.

The mid-term review is to provide a comprehensive evaluation of the project's implementation in both technical and financial aspects.

The MTR will assess the management structure with particular focus on the roles of key stakeholders (e.g. PPC, DARD, URS, NZ Aid Programme). It will assess the effectiveness of groups set up under the project's management structure such as the Project Management Board (PMB), the Project Office (PO), the Project Implementation Teams (PIT) and the Common Interest Groups (CIG). It will also assess the extent to which the project design remains appropriate to the government needs and the changing socio-economic development and agricultural landscape in Binh Dinh.

The lessons learnt and recommendations from the MTR will help guide decisions on the project's future, noting that there have been delays in implementation, low disbursement and questions of effectiveness.

Scope of the mid-term review

The review will assess the implementation of the project both technically and financially in all the four major components. It will also assess the project's management structure. This includes a review of roles of key stakeholders in the project namely PPC, DARD, URS and the NZ Aid Programme. The main stakeholders in the review are staff of New Zealand Aid Programme, Binh Dinh PPC, DARD, PO, members of PITs and CIGs.

The mid term review will also provide an assessment of the project's financial management system.

The review will cover the period from the signing of the GFA (July 2009) to the date of the review (August 2011).

Mid-term review criteria and objectives

Criteria being assessed

The DAC criteria that will be assessed in this evaluation are relevance, effectiveness, and efficiency.

It is too early to assess the impact and sustainability of the project. However an analysis of any findings coming out of the review that might give some indication on the likely impact and sustainability of the project would be very helpful.

Objectives and evaluation questions

There have been three objectives identified for this review. Under each objective a list of questions had been prepared to guide the review team but the team should not limit the scope of the review to answering these questions as they are not intended to be exclusive lists and the review team should develop their own questions to respond adequately to the review's objectives.

The objectives of the evaluation are to:

Objective 1: To assess the relevance of the project to the needs, priorities and interests of the key stakeholders.

Key questions:

- To what extent has the project's design, including the results framework, implementation modalities and management arrangements been valid and relevant to the socio-economic context, needs and priorities of the Binh Dinh agricultural sector and of the New Zealand Aid Programme?
- To what extent is the project contributing to the achievement of the National and Provincial Government Strategy on Agriculture, Farmers and Rural sector including the Government New Rural Development Programme (2010-2020)?
- Do the primary local stakeholders (i.e. DARD, PPC, farmers) identify with and agree the projects objectives (i.e. does the results framework still reflect priorities as they see them)?
- To what extent is the project addressing critical areas which are perceived by the farmers as barriers to improved livelihoods?

Objective 2: To assess the effectiveness of the implementation and management of the project technically and financially.

Technical aspect:

- To what extent has progress been made in all four components towards achieving the goal, objectives and expected outputs/ outcomes of the project? Are the project's schedule and budget/expenditure on track? Taking into consideration the "stop/go points", should each component continue, and if so what changes should be made to ensure more effective implementation of the project over the next two years.
- To what extent, are the project implementation methodology and stop/go approach appropriate and effective to achieve the overall objectives of the project including its ability to adapt and respond to emerging issues?
- How effective have the project stakeholders (i.e. government provincial agencies, URS, NZ Aid Programme, international and national consultants) been in fulfilling their respective roles in implementation?
- To what extent are key local stakeholders engaged and motivated towards the success of the project?
- How effective have the project organisational and management arrangements been?
- To what extent has the project met the needs for capacity development of DARD, other provincial agencies, and farmers? To what extent have the project's mentoring/coaching approach and capacity building activities been effectively implemented?
- To what extent has the project implementation responded to cross cutting issues in particular gender, environment, human rights, food safety?

Financial management

- To what extent is the financial management system utilised by the PO proving appropriate and adequate for accounting and controlling the transactions, resources, expenditures and assets?

Objective 3: To assess the efficiency of the implementation and management of the project

- Considering funds expended and project's progress to date, does the project represent and reflect value for money?
- To what extent have the implementation modalities and approach been successful in achieving desired results?
- To what extent have the existing management arrangements (including the functions of URS, DARD and NZ Aid Programme) and resourcing supported the project to achieve the expected goals, objectives, outcomes and outputs?

Methodology for the mid-term review

Principles/approach

The key principles underpinning the mid-term review are i) independence – the review is carried out in a way that avoids any political or organizational influence on the findings, ii) transparency – the review process and findings is open to key stakeholders of the project, iii) partnership – the review team will cooperate with key project's stakeholders during the review.

A participatory approach will be utilised in the mid-term review to ensure that all the key stakeholders involved in the project (i.e. beneficiaries, government officials, MSC, NZ Aid Programme) are consulted during the review.

Mid-term Review Plan

The mid-term review team will develop a review plan (using or being guided by the Evaluation Plan template) before undertaking the mid-term review.

The review plan will be approved by the First Secretary, Development, New Zealand Embassy in Ha Noi.

The plan may need to be redrafted if it does not meet the required standard or is unclear. The review plan **must** be approved prior to the commencement of any field work in Binh Dinh province or other substantive work. The review plan is to be appended to the main written report.

The intended results of the project (i.e. the goal, outcomes and outputs) will be clarified and described in the review plan.

The review plan will describe how crosscutting issues will be considered throughout the evaluation.

Team composition

The mid-term review will be undertaken by a team with an international agricultural specialist acting as a team leader. The team consists of a national agricultural specialist. In addition, an interpreter/translator will be recruited to support the team.

The attributes (knowledge, skills, experience) required of the mid-term review team are:

Team Leader – International Agricultural Specialist

- More than 10 years experience in rural development sector, sustainable rural livelihoods, and agricultural projects;

- Post graduate qualifications in agribusiness and/or rural development
- Extensive experience and knowledge of capacity building/institutional strengthening in developing countries, including Viet Nam;
- Demonstrated experience in the monitoring and evaluation of complex projects, preferably in agriculture and rural development sector;
- Knowledge of current Government of Vietnam agricultural sector policies and related laws and regulations that apply to that sector at both central and provincial level;
- Demonstrated effective team leadership;
- A proven ability to communicate and facilitate the participation of key stakeholders in the review/ evaluation;
- Demonstrated high quality planning and reporting skills;
- Demonstrated understanding of NZ Aid Programme's goals, policies and operating principles;
- An understanding of and commitment to NZ Aid Programme integrated and crosscutting issues.

Team Member – National Agricultural Specialist

- More than 10 years working experience in agricultural and rural development sector;
- Extensive understanding of Government strategies, programmes and policies on agricultural and rural development sector;
- Knowledge of and experience in one or more of the following sectors: safe vegetable production; smallholder coconut enterprises; or smallholder cattle production;
- Experience and knowledge of capacity building/institutional strengthening in developing countries, preferably in Viet Nam;
- Demonstrated experience in the monitoring and evaluation of complex project, preferably in agriculture and rural development sector
- Demonstrated high quality reporting skills;
- Experience working with international organizations and ODA projects.
- Interpreter/Translator
- Demonstrated experience in interpretation and translation in agricultural sector
- The interpreter/translator will be asked to provide interpretation during the mid-term review, translate mid-term review plan, draft reports, comments on the report and the final report.

Governance and management

The mid-term review is commissioned by the New Zealand Aid Programme of Ministry of Foreign Affairs and Trade (MFAT) to which the reviewers are accountable.

The Binh Dinh PPC/DARD/URS team will contribute as key participants of the mid-term review and will be invited to review the draft report.

Oversight of the evaluation process will be the responsibility of Deputy Director (Asia).

The First Secretary, Development, New Zealand Embassy in Ha Noi will be responsible for day-to-day management and administration of the mid-term review. Her responsibilities include briefing the mid-term review team; managing feedback from reviews of the draft report; and liaising with the mid-term review throughout to ensure the mid-term review is being undertaken as agreed.

The contracting for the Team Leader will be arranged by the Viet Nam Programme Team in Wellington. The contracting for national consultant and interpreter will be arranged by the Viet Nam Programme Team in Ha Noi.

Outputs and milestones

No.	Output/milestone	Description	Inputs	Due date	Payment proportion of fees or fixed price contract
1	Mid-term review plan accepted Briefing with NZ Aid Programme in Ha Noi completed	Literature review, briefing and finalised mid-term review plan	- Team leader: 6 days including 1 int'l travel day - National consultant: 3 days	24 September	30%
2	Field work completed	Field work completed and results provided to stakeholders during a stakeholder workshop	- Team leader and national consultant: 10 days each including 2 domestic travel days - Interpreter (based in BD): 8 days	4 October	0%
3	Draft mid-term review report submitted	Further stakeholder consultation in Ha Noi Debriefing with NZ Aid Programme in Ha Noi Draft report is submitted to MFAT	- Team leader: 7 days including 2 int'l travel days - National consultant – 4 days Translation fee will be paid on number of pages	15 October	50%
4	Final mid-term review accepted	Feedback from reviews of draft report satisfactorily incorporated (where appropriate); final report delivered	Team leader – 2 days Translation fee will be paid on number of pages	31 October	20%

Reporting requirements

Copies of the report are to be delivered by email to the First Secretary, Development, Embassy of New Zealand in Ha Noi.

The written mid-term review report is expected to be around 20 pages long and be guided by the New Zealand Aid Programme Evaluation Report template.

The report must contain an abstract appropriately summarising the report, suitable for publishing on the New Zealand Aid Programme website. Instructions for the abstract can be found in the Evaluation Report template.

The evaluation report must meet quality standards as described in MFAT (New Zealand Aid Programme) Activity Evaluation Operational Policy. These quality standards are based on 2010 DAC Quality Standards for Development Evaluation and New Zealand Aid Programme Activity evaluation operational policy, guideline and templates.

The report should include lessons learnt for the New Zealand Aid Programme and partners to take into account in the remaining period of the project, and in other similar development assistance initiatives.

Recommendations for future implementation of the projects including options for delivery of assistance must be included in the report. Recommendations will include but not be limited to:

- i) Improvement in project implementation to enhance the project's success e.g. decision making process, systems to ensure the results of the project are monitored and reported and risks are managed;
- ii) Feasibility and appropriateness of one-year fiscally neutral extension of the project
- iii) Modifications to the original objectives, outputs, implementation approach, components, activities in order to improve the relevance, effectiveness and efficiency of the project, as well as likelihood of sustainability

The mid-term review report should contain a section assessing the project financial management system.

The draft mid-term review report will be reviewed by MFAT staff, stakeholders and/or external experts. Further work or revisions of the report may be required if it is considered that the report does not meet the requirements of the TOR, if there are factual errors, if the report is incomplete, or if it is not of an acceptable standard.

The policy of New Zealand Ministry of Foreign Affairs and Trade (MFAT) is to make evaluation reports publicly available (e.g. on the New Zealand Aid Programme website) unless there is prior

agreement not to do so. Any information that could prevent the release of an evaluation report under the Official Information or Privacy Acts, or would breach evaluation ethical standards should not be included in the report. A confidential annex may be used on agreement with the First Secretary - Development (Ha Noi) if information of a sensitive nature warrants reporting separately to MFAT. The final report will be approved for public release by the Deputy Director for Asia, Global Bilateral Division.

Relevant reports and documents

Relevant documents will be provided to the evaluation team prior to the evaluation. These key documents include:

- Project Design Document
- Project Operational Manual
- Project Inception Report
- Annual Project Work Plans and Budget
- 6-monthly Project Reports
- Sector Study Reports
- URS Reports
- Quality Framework, M&E Framework, Organisational Capacity Assessment Tools
- NZAP Guideline on the Structure of Review and Evaluation Reports

Appendix B: Evaluation Plan

Evaluation Plan for Mid Term Review of Binh Dinh Sustainable Rural Livelihoods Project

Contents

Introduction.....	49
Objectives and Evaluation Questions.....	50
Stakeholder Analysis.....	51
Evaluation Design.....	52
Intended Results of the Activity.....	52
Information Collection.....	53
Detailed Description of Evaluation Methods.....	60
Data/Information Analysis.....	60
Cross-Cutting Issues.....	61
Ethical Considerations.....	61
Limitations, Risks and Constraints.....	62
Feedback of Findings.....	62
Documents to be Used in the Evaluation.....	63
Timeline.....	63
Appendices.....	65
Appendix A: Questions for Interviews or Focus Groups.....	65
Appendix B: Questionnaires for Distribution.....	65
Appendix C: Checklists for Participant Observation.....	65
Appendix D: Workshop Details.....	65

About this evaluation plan

Prepared by	Bruce Trangmar, International Agricultural Specialist, MWH New Zealand Ltd Tran The Tuong, National Agricultural Specialist, Department of Crop Production, MARD
Status	Draft, 23/9/11
Approved by	Margie Lowe, First Secretary Development, NZ Embassy, Hanoi
Approval date	29/9/11

Introduction

Background and context to the Activity

The Binh Dinh Sustainable Rural Livelihoods Project is being implemented by the Binh Dinh Provincial Peoples Committee (PPC) and the New Zealand Government with the goal of contributing to improved livelihoods of commercially active poor households/farmers by enhancing the competitiveness of the agricultural and rural development sector in Binh Dinh province. The purpose of the project is to strengthen the capacity of provincial institutions and agri-business sector to implement market-led rural development activities to provide sustainable economic, social, and environmental benefits to commercially active rural households/farmers. The project is being implemented in four major components:

Component 1: Certified Safe Vegetables

Component 2: Increased Income from Coconuts

Component 3: Profitable Livestock Systems

Component 4: Project Management.

The project is being implemented over four years, including a 6-month inception period. It is jointly executed by the PPC and the NZ Aid Programme. The Provincial Department of Agriculture and Rural Development (DARD) is the implementing agency. URS Australia Pty Ltd (URS) has been contracted to provide technical support to Binh Dinh PPC and DARD to implement the project since August 2010.

The total budget of the project is US\$2.138 million. Of this, the NZ Government contribution is US\$1.737 million (comprising approximately US\$ 1.202 million for Binh Dinh and US\$ 0.5 million for the URS contract). The provincial contribution is US\$ 400,500 in which the in-kind contribution is US\$ 200,500 and the cash contribution is US\$200,000.

Purpose of the evaluation

As stipulated in the Grant Funding Arrangement (GFA), a mid-term review will be undertaken in September/October, 2011 after two years of implementation. The review was planned to determine implementation progress and whether its activities and implementation approach remain appropriate to government needs and the changing socio-economic development and agricultural landscape in Binh Dinh.

After the first two years of implementation concerns have emerged regarding delays in carrying out the project, low level of

disbursement and questions about the overall effectiveness of the implementation. These concerns are to be assessed through the mid-term review in order to guide decision making about the future of the project.

The mid term review is to provide a comprehensive evaluation of the project's implementation in both technical and financial aspects.

The MTR will assess the management structure with particular focus on the roles of key stakeholders (e.g. PPC, DARD, URS, New Zealand Aid Programme). It will assess the effectiveness of groups set up under the project's management structure such as the Project Management Board (PMB), the Project Office (PO), the Project Implementation Teams (PIT) and the Common Interest Groups (CIG).

The lessons learnt and recommendations from the MTR will help guide decisions on the project's future, noting that there have been delays in implementation, low disbursement and questions of effectiveness.

Scope of the evaluation

The mid term review will assess the implementation of the project both technically and financially in all the four major components. It will also assess the project's management structure. This includes a review of the roles of key stakeholders in the project namely PPC, DARD, URS and the New Zealand Aid Programme. The main stakeholders in the review are staff of the New Zealand Aid Programme, Binh Dinh PPC, DARD, PO, members of PITs and CIGs.

The mid term review will also provide an assessment of the project's financial management system.

The review will cover the period from signing of the Grant Funding Arrangement (GFA) (July 2009) to the date of the review (September 2011).

New Zealand Aid Programme evaluation principles underpinning this evaluation

The DAC criteria that will be assessed in this evaluation are relevance, effectiveness and efficiency. It is too early to assess the impact and sustainability of the project. However, the team will identify any findings that might give some indication on the likely impact and sustainability of the project.

Objectives and Evaluation Questions

The evaluation objectives and questions are as stated in the Terms of Reference for the evaluation. The objectives are:

Objective 1: To assess the relevance of the project to the needs, priorities and interests of the key stakeholders.

Objective 2: To assess the effectiveness of the implementation and management of the project technically and financially.

Objective 3: To assess the efficiency of the implementation and management of the project

The mid term review is to provide a comprehensive evaluation of the project's implementation in both technical and financial aspects.

Refer to the Terms of Reference for detailed questions to be addressed.

Stakeholder Analysis

This table shows the stakeholders and outlines their interest in the evaluation, any issues or constraints and their expected involvement.

Stakeholder	Interest/stake	Issues/constraints	Involvement/participation
Binh Dinh PPC	Provincial government – primary stakeholder	No known issues/ constraints	Consultation through PMB, debriefing workshop
New Zealand Aid Programme	Donor agency – primary stakeholder	No known issues/ constraints	Briefing/debriefing, accompany MTR in Binh Dinh
DARD	Implementing agency – primary stakeholder	Availability of key people	Meeting with senior management, full participant in MTR activities, field meetings with district DARD staff, debriefing workshop
Project Office	Project management – primary stakeholder	No known issues/ constraints	Meetings in Qui Nhon, one-on-one interviews with each PO staff person
URS	Technical support – primary stakeholder	Unable to meet URS Project Director based in Adelaide	Consultation through CTA, meeting with URS Project Manager, debriefing workshop

Stakeholder	Interest/stake	Issues/constraints	Involvement/participation
PITs	Teams implementing components – secondary stakeholders	Availability of technical staff who work with the farmers	Focus group meeting with component Pit staff to discuss issues, participation in field visits
CIGs/SMEs	Farmer beneficiaries – secondary stakeholders	No known issues/constraints	Participation and consultation in field visits
Farmers	Farmer beneficiaries – primary stakeholders	Not enough time to meet all farmers, but MTR will meet with selected farmers in each project district	Field meetings, include separate meetings with women and women's organisations

Evaluation Design

Intended Results of the Activity

The project will be evaluated against the development outcome, project objective, component objectives and output objectives specified in the logical framework (refer Appendix 1 Logical Framework, Project Design Document (PDD)). The relevance of these in relation to Vietnam and Binh Dinh agriculture development strategies, NZ Aid Programme objectives (at the time of design) and farmer needs will be assessed.

The effectiveness and efficiency of project implementation in achieving planned outputs and activities, and progress in their implementation will be assessed against M&E and log frame indicators using available means of verification (refer log frame). Validity of assumptions and effectiveness of risk mitigation measures (as stated in the log frame) will be evaluated, and any new project risks will be identified.

The review will determine implementation progress and assess whether the project's activities and implementation approach remain appropriate to government needs and the changing socio-economic development and agricultural landscape in Binh Dinh.

The lessons learnt and recommendations from the MTR will be used to guide decisions by the PPC, DARD and MFAT on the project's future, noting that there have been delays in implementation, low disbursement and questions of effectiveness.

Information Collection

An extensive list of detailed questions for each objective are included in the MTR Terms of Reference and are not included in full here. The following table summarizes main questions and information to be collected and the methods to be used.

Question	Information required	Information source	Method
Objective 1: Assess relevance of the project to the needs, priorities and interests of the key stakeholders			
1. Validity and relevance of design to BD agricultural sector and NZ Aid Programme?	BD and VN agricultural sector strategy, NZ Aid Programme strategy	PDD, provincial and national strategy documents, NZ Aid Programme objectives at the time of design	Compare PDD objectives, outputs and activities with BD sector strategies; and NZ Aid Programme objectives (a) at the time of design, and (b) currently. Undertake gap analysis.
2. Contribution to National and Provincial Strategy, including New Rural Development Programme?	BD and VN agricultural sector strategy	National and Provincial Strategy on Agriculture, Farmers and Rural Sector, including New Rural Development Pgm (2010-2020)	Compare PDD objectives, outputs, activities and implementation results to date with strategy objectives, undertake gap analysis.
3. Do primary local stakeholders agree with project objectives?	Stakeholder views on objectives in relation to their priorities	Meetings with DARD, PPC, focus groups and interviews with farmers, CIGs	Compare stakeholder priorities with project results framework, and undertake gap analysis.
4. Is project addressing critical areas seen by farmers as barriers to improved livelihoods?	Critical areas and barriers to improved livelihoods for farmers (male and female)	Focus groups with CIGs, farmer interviews	Comparison of project design and implementation activities with needs critical areas/barriers/needs expressed by farmers; undertake gap analysis.

Question	Information required	Information source	Method
Objective 2: Assess the effectiveness of the implementation and management of the project technically and financially			
Technical			
1. Component progress to achieving project goal, objectives, outputs/outcomes?	Progress against work plans, M&E reports	Annual work plans, progress reports, M&E indicators, log frame, farmer, stakeholder discussions	Review progress reports, M&E indicators against work plans and log frame
2. Are project's schedule and expenditure on track?	Progress against work plan, expenditure data	Annual work plans, progress reports	Comparison of planned schedule and expenditure against actual
3. Should each component continue, and if so, what changes should be made for more effective implementation?	Expenditure and activity progress against plan to date, future work plans, farmer benefits achieved, market assessment	Progress reports, work plans; farmer, CIG, PIT, DARD, PMB, Project Manager, CTA, NZ Aid Programme discussions on component viability, effectiveness and any changes needed	Evaluate progress to date; evaluate stakeholder views on viability of components, and any changes to be made

Question	Information required	Information source	Method
4. Effectiveness of project implementation methodology and stop/go approach to achieving project overall objectives?	Progress against work plans, issues affecting implementation, project scope/activity adjustments	Progress reports, files, farmer, CIG, PIT, DARD, Project Manager, CTA, NZ Aid Programme discussions	Assessment of progress against plan (activities, expenditure), issue analysis, project scope/activity adjustments in relation to emerging issues
5. Effectiveness of project stakeholders (govt, URS, NZ Aid Programme, consultants) in their roles	TORs for key stakeholders, inputs (funds, time) provided, progress against TORs, project progress against M&E indicators	PDD, URS contract, FMS, project records, progress reports, interviews with each key stakeholder	Qualitative assessment of inputs against TORs, and progress against M&E indicators of project activities, objectives, discussion with beneficiary stakeholders including CIGs, farmers
6. Extent of key local stakeholders engagement and motivation to success of the project?	Quantity and timeliness of resources provided (funds, staff, other), stakeholder views	Progress reports, FMS, stakeholder interviews (DARD, PITs, CIGs, farmers)	Review of progress reports, provision of inputs (funds, staff, other) against plan and TORs. CIG, farmer interviews on support received from DARD, PITs.
7. Effectiveness of project organisational and management arrangements?	Timeliness and quality of project delivery, reporting, resource provision	Progress reports, interviews with PMB, DARD, Project Manager, NZ Aid Programme, URS, CTA	Qualitative assessment of project delivery, resource provision, reporting, stakeholder views

Question	Information required	Information source	Method
8. Has project met capacity development needs for DARD, other provincial agencies and farmers?	Capacity building needs analysis, training and capacity building inputs provided, application of training provided	PDD, progress reports, reporting against M&E capacity building indicators, DARD, other provincial agencies, farmers	Assessment of quantity and quality of capacity building activities against needs analysis undertaken for DARD, other agencies, farmers. Application of training by DARD, other agencies, farmers.
9. Have project's mentoring/coaching approach and capacity- building activities been effectively implemented?	Planned vs actual mentoring/coaching and CB items; time and other inputs spent on CB; training records and reports, mentoring/coaching and CB methods applied.	PDD, interviews with DARD, PITs, CIGs, farmers, CTA, training data, progress reports	Qualitative evaluation of ability of mentees to undertake technical and project management tasks in areas for which mentoring/coaching has been provided under the project
10. Project response to cross cutting issues, especially gender, environment, human rights, food safety?	Women's participation in project activities, training, fertiliser and pesticide use for vegetables, application of VietGAP by farmers	Project records, progress reports, interviews with women farmers (esp. rabbits), district Women's Unions (Phu Cat, Hoai An), safe vegetable test results on pilot areas	Comparison of scale and type of project activities in relation to needs expressed by women farmers in project areas, comparison of safe vegetable test results against VietGAP criteria

Question	Information required	Information source	Method
Financial management			
11. Is the FMS appropriate and adequate for accounting, controlling transactions, resources, expenditures and assets?	Financial reports, suitability of financial reporting to meet MFAT needs	Project Manager, Accountant, FMS, NZ Aid Programme staff	Inspection of FMS, financial reports, interview with Accountant, and NZ Aid Programme staff to assess if FMS meets needs
Objective 3: Assess the efficiency of the implementation and management of the project			
1. Does the project represent good value for money (based on funds spent and progress to date)	Expenditure by item, implementation progress against M&E indicators	Expenditure data, progress reports, reporting against M&E indicators, interviews - DARD, NZ Aid Programme, farmers	Comparison of expenditure by item and progress against M&E indicators, interviews with farmers, DARD, NZ Aid Programme staff
2. To what extent have modalities and approach been successful in achieving desired results?	Progress against project purpose, component and output objectives	Progress reports, M&E indicators, stakeholder interviews (DARD, NZ Aid Programme, CIGs, farmers)	Assess project progress against project purpose, component and output objectives. Stakeholder views on modality and approach, and progress to achieving objectives.

Question	Information required	Information source	Method
3. To what extent have the existing management arrangements (incl. roles of URS, DARD, NZ Aid Programme) and resourcing supported the project to achieve goals, objectives, outcomes and outputs?	TORs for management entities, resource inputs (funds, staff, TA) provided	PDD, URS contract, progress reports, FMS, TA reports, interviews with URS, DARD, NZ Aid Programme	Evaluate management arrangements (TORs) and resource provision (quantity, quality, timeliness) in relation to implementation progress against goal, outcomes, objectives and outputs.

Detailed Description of Evaluation Methods

The key principles underpinning the mid-term review are: i) independence – the review will be carried out in a way that avoids any political or organizational influence on the findings, ii) transparency – the review process and findings will be open to key stakeholders of the project, iii) partnership – the review team will cooperate with key project stakeholders during the review.

A participatory approach will be utilised in the mid-term review to ensure that all the key stakeholders involved in the project (i.e. beneficiaries, government officials, URS, NZ Aid Programme) are consulted during the review.

Methods of information gathering will include:

- Stakeholder meetings – provincial government officials (PMB, DARD, other provincial government departments).
- One-on-one interviews – key individuals, including Project Manager, CTA, URS Project Manager, project office staff, MARD in Hanoi, other donor agencies.
- Focus groups discussion – PITs for each component.
- Field visits to project sites in each district – meetings and focus groups with CIGs, SMEs (where relevant), farmers (group, one-on-one, separate meetings with women), local authorities in districts to evaluate relevance, effectiveness of project implementation, issues and needs.
- Feedback workshop – debriefing workshop on 3 October 2011 to feedback findings, cross check with stakeholders, obtain comments for inclusion in draft report. Participants to be finalised.
- Document review – project documents (refer document list), MFAT files, project files, project FMS.

All information will be cross checked by analysing information from different sources noting consistencies and querying inconsistencies in information about the same issue from different sources. The Team Leader and National Consultant will have short review meetings at the end of each day to evaluate information obtained, summarise results, conclusions, and identify information requiring further follow up.

Data/Information Analysis

Key points from interviews will be summarised and discussed by the Team Leader and National Consultant. All information will be cross

checked by analysing information from different sources noting consistencies and querying inconsistencies in information about the same issue from different sources. The Team Leader and National Consultant will have short review meetings at the end of each day to evaluate information obtained, summarise results, conclusions, and identify information requiring further follow up.

Cross-Cutting Issues

The main cross cutting issues relevant to the project are gender and environment.

Gender impacts and participation of women in project activities will be assessed through discussions (a) with the Women's Union at district level (Phu Cat, Hoai An) for rabbit subcomponent (if possible), and (b) in the field with women CIG members and farmers through focus groups and one-on-one interviews. Project records and reports will be inspected to assess project targeting of women, women's participation in project activity design and implementation, recording of women's participation, and gender disaggregation of reporting.

The main **environmental** issues relevant to the project are likely to be environmental benefits arising from application of VietGAP procedures, such as reduced application of chemical fertilizers and high toxicity pesticides, use of good quality water for vegetable irrigation, and environmentally sound use of livestock waste, etc. The MTR team will review project reports for documentation of improved environmental practices and discuss use of such practices with farmers and CIGs.

Ethical Considerations

The following ethical issues will be taken into consideration in the evaluation:

- Full disclosure i.e. at the start of each meeting/interview/focus group discussion participants will be fully informed of the evaluation purpose and objectives, how the information they provide will be used, and their rights regarding information they provide.
- Any issues and views expressed that may result in potential possible harm to participants will be kept confidential and not included in the report, but conveyed in a separate confidential note to MFAT.
- Confidentiality of participants will be ensured through no names being mentioned in the body of the report, and participants will be asked at the start of meetings/interviews if

they consent to their names being included in an appendix listing evaluation participants.

- Vietnamese cultural norms will be followed in all meetings/interviews and focus groups.
- During field visits and farmer meetings/focus groups, gender-responsive issues will be discussed in gender disaggregated groups, where possible.

Limitations, Risks and Constraints

This table outlines potential or actual risks, limitations and constraints.

Risk/limitation/constraint	Likely effect on evaluation	How this will be managed/mitigated
Information required to adequately answer key questions is not available or forthcoming	Some questions may not be adequately answered.	If adequate information for some questions is not available this will be stated in the report and any conclusions qualified accordingly
Insufficient time for field visits and farmer discussions	Farmer views under represented in MTR findings and conclusions	MTR team will visit all districts, split up where necessary to maximise farmer coverage and discussion
Meetings unable to be arranged with key individuals in local stakeholder organisations	Incomplete stakeholder organisation views obtained	Early scheduling of stakeholder meetings, and request for authorised substitute representatives to attend MTR meetings
Unable to meet all ITAs and NTAs	Incomplete coverage of all technical aspects	Detailed discussions with CTA, Project Manager, Safe Vegetables NTA, Dr Ho (DARD)

Feedback of Findings

Findings will be discussed with key stakeholders through:

- Debriefing Workshop in Binh Dinh, 3 October 2011 - Interim findings will be discussed at the end of the field visit in a workshop to key stakeholders in Binh Dinh. Participants are not finalised yet, but are likely to include PMB members, Project Office, PIT staff, CTA and URS, CIG leaders.

- Debriefing meeting with the New Zealand Aid Programme in Hanoi, 7 October 2011.
- Comments from stakeholders at the Binh Dinh and Hanoi debriefing workshop will be incorporated into the draft MTR report prior to submission to MFAT.
- Comments from MFAT on the draft final report will be incorporated into the final report. It is unclear at this time if MFAT will circulate the draft final report to other stakeholders for comment. If so, then any comments from other (non MFAT) stakeholders on the draft final report will be included in the final report.

Documents to be Used in the Evaluation

Documents to be used in the evaluation include, but will not be restricted to:

- Project Design Document
- Project Operational Manual
- Project Inception Report
- Annual Work Plans and Budget
- 6-monthly reports
- Sector Study Reports
- URS Reports
- Quality Framework, M&E Framework, Organisational Capacity Assessment Tools
- NZAP Guideline on the Structure of Review and Evaluation Reports
- MFAT files.

Timeline

The following table shows the timing of key activities and deliverables. A detailed work programme of activities is attached.

Key activity	Deliverable (output)	Timing
Literature review, briefing and finalised mid-term review plan.	Mid-term review plan accepted Briefing with NZ Aid Programme in Ha Noi completed	24 September 2011
Field work completed and results provided to stakeholders during a stakeholder workshop.	Field work completed	4 October 2011

FINAL

Key activity	Deliverable (output)	Timing
Further stakeholder consultation in Ha Noi. Debriefing with NZ Aid Programme in Ha Noi. Draft report submitted to MFAT.	Draft mid-term review report submitted	15 October 2011
Feedback from reviews of draft report satisfactorily incorporated (where appropriate); final report delivered.	Final mid-term review report accepted	31 October 2011

Appendices

Appendix A: Questions for Interviews or Focus Groups

This appendix contains lists of questions that will be asked in interviews or focus groups for the different stakeholder groups. Specific questions for each component include, but will not be restricted to the following:

For the Safe Vegetable component, specific questions will include what are the bottle necks for certification, problems with training, application of VietGAP, technical issues, any problems with self-management of CIGs, viability/operation of packhouse, market/potential of market chain for safe vegetables, viability of the component, cost/benefit of safe vegetables, need for support/policy from local government for market establishment?

For the Coconut component, questions will include reasons for slow implementation, productivity, type of product to be promoted, returns to farmers, viability of the component, outcomes of the latest TA visit, commitment of local government and farmers to the component, implications of reallocating funds.

For the Livestock component questions will include beef and rabbit equity/land/feed issues for poor households, supply of rabbit meat versus market demand, slaughterhouse needs for beef/ rabbit, market chain for rabbits and beef.

Capacity building questions include capacity building strategy and approach by ITAs and NTAs, effectiveness to date, DARD capacity building needs and expectations, and how to strengthen capacity building impacts.

Project management questions include project office staff capacity, efficiency of project management systems, effectiveness/efficiency of URS technical support, effectiveness of ITAs and NTAs.

Appendix B: Questionnaires for Distribution

No questionnaires will be distributed.

Appendix C: Checklists for Participant Observation

To be prepared by Team Leader and National Consultant while in Binh Dinh.

Appendix D: Workshop Details

This appendix provides details of workshops that will be held, and the focus of the workshops.

MTR Debriefing Workshop, 3 October, Binh Dinh

Description	Feedback of initial MTR team findings to key stakeholders in Binh Dinh
Participants	To be determined, but likely to include PMB members, Project Manager, CTA, URS Project Manager, PITs, CIG leaders.
Focus	Feedback and discussion of MTR team findings, items raised by stakeholders for consideration by MFAT, comments for consideration in preparation of draft MTR report.

Appendix C: List of Data Sources

This appendix contains a list of data sources used in the evaluation.

- Project Design Document
- Project Operational Manual
- Project Inception Report
- Annual Work Plans and Budgets
- 6-monthly reports
- Sector Study Reports
- URS Reports
- Quality Framework, M&E Framework, Organisational Capacity Assessment Tools
- NZAP Guideline on the Structure of Review and Evaluation Reports
- MFAT files
- Structured meetings with stakeholder groups, farmer focus groups, one-on-one meetings with key project individuals. A full list of persons and organisations met by the MTR team can be obtained from the International Agriculture Specialist, if required.
- Field visits to project sites.

Glossary of Acronyms

The following acronyms are used in this report.

Acronym	Description
AWPB	Annual Work Plan Budget
CIG	Common Interest Group
CTA	Chief Technical Advisor
DARD	Binh Dinh Department of Agriculture and Rural Development
DoF	Binh Dinh Department of Finance
DoIT	Binh Dinh Department of Industry and Trade
DPI	Binh Dinh Department of Planning and Investment
FFEG	Facility Fund Evaluation Group
FFS	Farmer Field Schools
ITA	International Technical Advisor
MARD	Ministry of Agriculture and Rural Development
M&E	Monitoring and Evaluation
MFAT	New Zealand Ministry of Foreign Affairs and Trade
MTR	Mid Term Review
NTA	National Technical Advisor
PIT	Project Implementation Team
PMB	Project Management Board
PO	Project Office
PPC	Binh Dinh Provincial People's Committee
SME	Small and Medium Enterprise